THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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RAILWAY ORDERS START REVIVAL IN STEEL INDUSTRY

Benefits Are Wide-spread In Manufacturing World

SECONDARY INFLATION

Wages and Prices Out of Line with Farmers' Earnings and Reaction Must be Expected if Boom Develops

The expansion of the steel industry is the most important indicator of the moment of the improvement in the business situation—and as steel is often referred to as the industrial barometer this may be regarded as having a broad significance. Canada in this respect is paralleling the business development in the United States, the situation being similar to that in the steel industry over there six months ago and the impetus is supplied from a similar source—railway orders. These orders call for cars, for locomotives and for rails and other equipment, and not only bring a benefit to the industries directly concerned, but are reflected in buying all through the subsidiary metal and machine trades. In Canada as in the States they are accompanied by a rising market for steel products, a development which has evidently convinced the building industry that there is no advantage in waiting further. The result has been that such building contracts as that of the T. Eaton Company, in Toronto, are being executed and, as was anticipated, other delayed construction is going ahead on the strength of this example. General buyers of steel and steel products have departed from their policy of hand-to-mouth purchasing employed since the peak of the boom and are showing a disposition to place orders. This was evident in the attitude of the merchants attending the Retail Hardware Convention in Toronto. However, there has at the same time developed on the part of the manufacturers and supply houses a reluctance to take bookings far in advance at prevailing prices in view of probable further advances. Prices for basic metals have shown a considerable advance since the first of the year and the output of pig iron and steel is at present about four times greater than the low point at the end of the first quarter of 1922. Of the steel situation, Canadian Machinery says:

> **Continued strength of the steel markets and increasing number of refusals to consider new business are conditions which cause buyers, who have not covered, a certain amount of uneasiness. Prices are also advancing, and to use a stock market phrase frequently used to describe a tiptoe condition, the "entire list seems poised for an ascension to higher levels."' In United States' markets, the poising stage has already been passed and prices have had an uprising which resembles, somewhat, the market of 1920. Steel men, it is said, are averse to another runaway market on similar conditions, for while the first stage meant profits, there came a time when these were offset by losses, consequent upon inevitable reaction. Some of this reaction tailed over into 1922, and made somewhat slow going up to May or June. It is likely, therefore, that so far as the Canadian markets are concerned, advances will not be spectacular. Prices at present are firm, with a decided opinion in favor of upward movement. In fact it is pointed out that, to be in line with base prices, warehouses must sell at better figures, and these will undoubtedly obtain on new shipments arriving.**

Labor as Price Factor

The labor shortage is a factor in bringing about price advances in steel and other manufactured products in Canada as in the United States. The strike in the plant of the British Empire Steel Corporation in Nova Scotia is an indication of how unrest develops with more prosperous conditions, particularly with trades which are so strongly organized that they have been able to hold out against material adjustments during the depression. In this case there was again evidence that the Red element is still active in Canada. However, the fact that the effort to bring on a big fight on the open shop in the steel industry petered out, should help to strengthen the government in raising the immigration barriers to some reasonable extent despite the opposition of the labor political element.

Hard on the Farmer

The fact that this advance in prices for manufactured goods in which the labor shortage and the strength of the entrenched unions plays such an important part is not being accompanied by a corresponding rise in the market for farm products, has a tendency to temper optimism as regards the future. In the last analysis prosperity in this country depends very largely upon the profits of agriculture, and the price for farm products is gauged by the buying power of Europe. Under these circumstances anything like inflation of prices for manufactured goods seems certain to be followed by a reaction, and a further adjustment as between the cost of living and the earnings of the farmer before a basis of healthy

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"Reverse English" and the Effect is French

From Our Own Correspondent.

MONTREAL.—The Land of Jabberwock is discovered! It is the third floor back at 1103 Notre Dame Street, West.

The office is piled high with brand new furniture, yet unpacked. Industrious stenographers are busy. There are hundreds of circulars lying about, written on the letterhead of R. T. Scott and Co.

"Is this the office of R. T. Scott Company?" was a question put to the yound lady in charge by THE FINANCIAL POST.

"Oh, no, the R. T. Scott Company has changed its name," was the answer. "It is now S. Lessur and Co."

"S. Lessur and Co." There is a good French Canadian ring to the name. It ought to go well in Montreal. It is a fine name, one thinks, until one spells it backwards. Then it reads RUSSEL S!

FARM SWINDLE IN WEST BEING INVESTIGATED

Free Trip For a Minister One of Methods Employed

The authorities are now investigating the stock selling operations of certain Alberta land companies which made their headquarters at Calgary and which are alleged to have secured large sums from investors in rural districts surrounding Toronto. Whether or not it will be found that the promoters have made themselves criminally liable remains to be seen, but there can be no doubt that many thousands of dollars have been taken from the too-confiding and too-enthusiastic public who believed the rosy promises of the pot of gold at the end of the agricultural rainbow.

Some years ago, when the campaign was first opened with lavish promises of the benefits to the Eastern investor to be obtained from big-scale farming operations in the fruitful wheat lands of the West, clever methods were employed to intrigue the investor. Example: A minister of the gospel, highly regarded in his community, was given a free trip out West and returned with a glowing impression of the possibilities of the prairies which was largely based upon a very complete ignorance of the business of agriculture. He recommended an investment in the Western project, which his farmer parishioners were willing to believe would return quickly the handsome profits which could only be earned in Ontario's "impoverished soil" by the sweat of the brow.

Other methods were employed to induce the Ontario farmers to look to pastures green. A bank manager was offered $1,000 a month to go around and merely introduce the smooth stock salesmen. Glib representatives went about and bought stock for the Alberta farms at the highest prices the owners cared to ask but paid for the animals in stock certificates and then sold them for a song without shipping any further than to cover up the transaction.

The result of these operations over a period of years, in which occasional high-rate dividends were declared, when stock selling was revived, has been that hundreds of thousands of dollars have gone in and it is doubtful if anything will come out.

There are cases reported of widows losing their all and going to the house of refuge, of farmers losing the savings of a life time of labor, of farm hands and villagers putting up the few hundreds saved from years of toil—but when all is said and done it is doubtful if the law has been broken or anything can be done. Government legislation should help in such cases, but it is doubtful if any law can be devised to prevent people losing their money when they seek to get rich over night and are not too inquisitive about the methods to be employed. The final answer is education along investment lines and effective publicity.

France Plans To Get Along Without Our Wheat

France is planning to reduce imports of wheat by 75 per cent. inside of three years by co-operation in making fertilizers under the Haber and Claude patents seized from Germany. It is believed that by using synthetic fertilizer in colonial areas in northern Africa, France will in ten years be enabled to provide the nation with foodstuffs without expending millions for wheat and meat in the United States and Canada.

Want The Personal Covenant Restored

Representatives of the Alberta Mortgage Loans Association have urged on Attorney-General J. E. Brownlee that government legislation be brought down to restore the personal covenant in mortgages, to protect mortgage rights in the case of municipal hospital districts and exempt from wild land taxation properties which are taken over under forfeiture proceedings by mortgage companies, until such lands are disposed of.

ADMINISTRATION OF RURAL LOANS IS CONDEMNED

Principle Sound But Banks Should Handle Funds

MANITOBA REPORT

Courageous Document Which Promises to Test Business Policy of the Bracken Government

From Our Own Correspondent.

WINNIPEG.—The report of the Rural Credits Commission tabled in the House by the provincial treasurer is a courageous document. Condemnation of methods in administering Rural Credits Act of Manitoba since 1920—and recommendation that rural credits be left to ordinary banking institutions if an arrangement to increase the life of loans can be reached, are outstanding features of the findings. The Manitoba Free Press challenges the commission and predicts an acute controversy over its findings. It intimates that recoil movements of far-reaching magnitude, with the resignation of scores of directors of the rural credit societies, will ensue.

"'Not only is security behind the $3,000,000 of loans of problematical value but collection will be costly and productive of much resentment," is the finding of the government's commission, leading The Free Press to the admission that if an unduly high percentage of loans turns out badly the public will have no difficulty in deciding between the commission and its assailants.

George Prout, father of Manitoba's rural credits, says the commission's report is a "fraud and an untruth."

Principle is Sound

The commission scores administration of the Act, particularly in the past years, but finds the principle of rural credits sound. The commission believes that the credit problem of the farmer can best be met by development of the existing banking agencies to agricultural purposes rather than by independent machinery. In the provision of re-discount facilities by the government through medium of the provincial savings office the longer maturity of agricultural loans could be secured without impairing the lending bank's liquidity, while the collective liability of the rural credits societies and the services of their local advisory boards would enable banks to extend loans to deserving farmers. If, however, chartered banks are opposed to the progressive extension of their facilities the commission concludes that independent credit machinery sufficiently comprehensive to meet the needs of agriculture, should be perfected. In that event, reads the report, "We would recommend consolidation of the three financial departments of the government, Provincial Savings office, Manitoba Farm Loans Association and Rural Credits Department, upon an independent basis under a single non-political board, one or more of whose members should be thoroughly informed upon approved banking practice. This

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More Mortgage Money Will Be Available

Scottish money is being secured in small quantities at 4½% interest.

Several of the loan companies at the recent term day in November, renewed sterling debentures at 5%, and accepted new money at 4½%.

Because of adverse exchange, this sterling debenture money cannot now be brought out to Canada. The funds are simply being left in the Old Country. Generally they are being invested in British War Loan, there being just about enough interest secured from the British War Loan to cover more nearly carrying charges. However, as sterling is coming back to normal, it becomes certain that shortly this money may be brought across to Canada, so that the prospects of getting more Scotch money at 4½% on a new-term date, May, 1923, are gratifying.

How Industry is Handicapped By Red Tape of Customs Dept.

Premier John Oliver, of British Columbia, while in Toronto, in talking with THE FINANCIAL POST of business conditions, brought out the following specific instance to show how governmental red tape is making it hard for Canadians to do business with other Canadians.

An industrial concern in Vancouver is making wire nails. They need steel rods. The British Empire Steel Corporation received an order for 550 tons of rods. These were shipped on a through bill of lading from Sydney to New York, then via the Panama Canal to Vancouver. When arriving at Vancouver, the firm there buying the steel was called upon to pay a duty of $3,512. There was no way to get out of it, and the amount was paid. The matter was taken up with the customs officials and they informed the Vancouver buyer that anything trans-shipped, unless under the supervision of a Canadian customs officer, was treated the same as though it came from a foreign country, and had to pay duty accordingly.

Vancouver business men have run into this same thing before, and have often asked that a Canadian customs official be placed at New York to vise all shipments coming through in this way, but it has never been done.

"We are beginning to think in the West that the idea is to make us stick to the long haul by rail across the continent," continued Hon. John.

"That Vancouver firm could have bought those steel rods in Belgium for $6,000 less than was paid in Sydney, and it would have cost no more to bring them to Vancouver than it did from Sydney. So it really means that the firm paid a penalty of $6,000 for the privilege of buying from a Canadian firm, or else the penalty is taken because they used the Panama Canal."

Canada Must Give Concessions to Get Into Market in Cuba

Preference on Potatoes to be Increased in Favor of the United States—A Case Where British Preference is Evidently Bad for Business

From Our Own Correspondent.

OTTAWA.—The Maritime provinces have become very much alarmed over the threatened action of Cuba which proposes to grant to American potatoes a four-fold preferential duty over those imported from this country. The Department of Finance has had an official investigating the situation in Cuba, and while his report is not yet available, it looks as though Cuba were really using the proposed measure as a means of forcing Canada to trade with her for it is learned that if the new scale of duties goes into effect it will be accompanied by a six-months' offer for the negotiation of a trade treaty.

Under the existing Cuban tariff, Canadian potatoes entering the island pay a duty of 56 cents per bag, or 12 cents more than those from the United States. Under the proposed new tariff Canadian potatoes would pay $1.26 a bag. Thus would be lost a market built up in the last few years, and that has been somewhat of a compensation for that lost in the United States.

The impression is that Cuba is rather sore against the increase in the preference extended to the British West Indies, which has reduced very much her exports of sugar to this country. In 1920 imports from that country were $33,000,000; in 1921 they dropped to $15,000,000, and last year to $11,000,000. On the other hand, exports to Cuba have dropped from $7,560,000 in 1920 to $4,868,000 last year. Much of the decrease in imports has been due, of course, to lower sugar prices.

Without desiring to measure the result in the way of increased trade with British Guiana and the British West Indies as against the trade lost with Cuba, it is, however, to be observed that whereas in 1920 Canada exported to British Guiana $3,785,000, last year the amount was only $2,171,000; in the case of the British West Indies the figures were $13,869,000 in 1920, and $9,329,000 last year.

All of which seems to prove that sentiment has little place in trade and that in an unsuccessful effort to develop a better market in the West Indies, Canada may lose a valuable market in Cuba.

Private Interests Are Ready to Develop St. Lawrence Power

Big Projects all Worked Out and only Await Co-operation From Canada—Plans of the New York and Ontario Power Company

From Our Own Correspondent.

MONTREAL. — Announcement of the plans of the American Super Power Corporation for the development of hydro-electric energy on the St. Lawrence River has served to focus attention on the remarkable power possibilities of this river. The plans of the American corporation are to install two dams in the river, one near Massena, New York, and the other at Waddington, which is just across the river from the Canadian community of Morrisburg. The combined capacity of the two projects is estimated at 1,350,000 horsepower. The power, it is planned, would be marketed over transmission lines running into New York, Boston, Philadelphia, Baltimore and Washington.

Ambitious as are the plans of this organization, it is conceivable that the most important of the two projects, the one at Waddington, will never come to completion under their control. While great publicity has been given far and wide to the application made to the United States Federal Water Power Commission for permission to construct these development units, the fact has been overlooked that a corporation already exists with very valuable rights at Waddington, rights that it is stated will make the developments of the American Super Power Corporation at that point out of the question. This company is the New York and Ontario Power Company, organized in 1906 in New York to develop a very modest project of 17,000 horsepower. There is American and Canadian capital in the company, a number of Hamilton and Morrisburg gentlemen being shown on the latest statement of the board of directors. This company controls water power rights on the American side of the river between Ogden Island and the shore and has arranged for permission to construct a dam with an 11 foot head capable of producing 30,000 h.p. This will be held up pending outcome of negotiations to make it a 600,000-h.p. plant. The company has outstanding some $200,000 of bonds but further financing would be required for the larger development now planned.

On the Canadian Side

So much for the American side of the river. But there is also a strip of water between Ogden Island and Morrisburg that is on the Canadian side and capable of developing a tremendous amount of horse power. The plans of the American Super Power Corporation, it is understood, provide for a dam across the entire river and would encroach upon Canadian territory. Ontario, with its desire to put all power projects under public ownership, became alarmed when the plans were announced and Premier Drury demanded and got assurance from Premier King that no rights would be granted on the St. Lawrence

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Pending Report on Iron Deposits of Ontario Interests Whole Dominion

Of decided importance to the whole Dominion is the pending report of the committee named by Hon. Harry Mills, Ontario's Minister of Mines, to investigate the Ontario iron ore situation. The solution of the problem in one province will help Quebec, Manitoba, the Prairies and British Columbia.

Steel is one of Canada's basic industries. An assured supply of iron ore is essential to the progress of that industry. Canada is now importing $10,000,000 worth of iron ore annually, mostly from U. S.

Two facts stand out. The exportable supply of U. S. iron ore, available for Canadian import, always limited, is steadily growing more so. The $10,000,000 now going to the U. S. would mean much if spent in Northern Ontario, especially for the railways.

Most of the provinces of the Dominion and especially Ontario, Quebec, Manitoba and British Columbia have tremendous iron ore bodies to be developed. The pending report will deal with the Ontario ore. Most of the facts will apply to all provinces. Pending the issuance of the report, THE FINANCIAL POST has arranged with A. W. Dowler, K.C., Fort William, for a series of articles, giving some facts about iron ore. Mr. Dowler is not a mining engineer. Iron ore problems are his golf. His articles, if carefully read, will lay an excellent foundation for a complete understanding of the report on the iron ore industry in Northern Ontario which should be issued just about the time Mr. Dowler's articles are completed.

Sapiro Opposed to a Government Pool

Co-operation is the solution of the marketing problems of the Western Canadian farmer, in the opinion of Aaron Sapiro, the man who solved the problems of the California citrus growers, but he suggests that the farmers form their own wheat pool without any backing or coddling by the government. He says:

> "I am completely opposed to any Dominion Wheat Board—or anything that smacks of charitable relief or guardianship of the farmer by any governmental group."

QUICK ACTION AT OTTAWA NEEDED ON IMMIGRATION

United States After Those Most Useful To Canada

START BEING MADE

Decision to Spend $1,300,000 More on Immigration During Year is Move in the Right Direction

From Our Own Correspondent.

OTTAWA.—The decision of the government to spend $1,300,000 more on immigration during the coming fiscal year, thus bringing the total up to $3,386,000, shows that it intends to loosen up appreciably in the matter of getting settlers. This, together with the campaign being conducted by the Canadian Pacific Railway, and the advertising being done by the National Railways, should go a long way towards starting the flow of immigrants again in the direction of Canada.

Additional interest is aroused in the plans of the government through the inclusion in the estimates of $600,000 to provide assistance by advances or grants to immigrants under agreement to be made with the Imperial government under the Empire Settlement Act, 1922. It is not thought that this signifies anything big, but it is a start. The path of the government on this subject in parliament is made easier by the attitude of the Progressives, which is much more sympathetic towards immigration than had been thought. After all, the farmers, being large employers of labor, are interested in having an adequate supply of it at reasonable cost.

Awakening In U. S.

It is well that the government is getting busy, for prospective changes in the immigration laws of the United States, based on a bill recently reported by one of the committees of the House of Representatives, and which is calculated to make easier the entrance into the Republic of the very classes that this country is eager to get, shows the need of pronounced activity. The bill reduces the quotas of immigrants from Europe and the Near East, that is, of any one country in those regions, to 400 in a single year, and in addition two per cent. of the number of foreign-born individuals of such nationality resident in the United States as determined by the 1890 census. The present Restriction Act, which this bill would replace, places the quotas at three per cent. based on the census of 1910.

The importance of this feature lies in the fact that while it would reduce very considerably the total number of immigrants even now entering the United States, it would have the effect of increasing the quotas of Anglo-Saxons, and other races of Northern Europe, which Canada so much desires.

It is estimated that as a result of this change the quota of Italy would be reduced from 42,000 a year to about 5,000; that the quota from Germany would be increased from 55,000 to 68,000, and that the quota from Great Britain would also be considerably augmented. Like the present Immigration Restriction law, the proposed one would not operate against immigration from Canada, Newfoundland, Cuba and Central and South America, provided that immigrants therefrom have been residents in these countries for five years.

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EDITORIAL

Taxation Privileges of the Provinces—"Banks" and Banks—Adjusting the Coal Industry—The Lessons of Co-operation—Keeping Up Agency Connections—Retrogression in Russia.

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Notice is hereby given that a dividend at the rate of 10% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Thursday, the First day of March, 1923, to shareholders of record at the close of business on the 13th day of February next.

The Transfer Books will be closed from the 14th to the 28th day of February, both days inclusive.

By order of the Board.

H. B. SHAW,
General Manager.

Winnipeg, January 19th, 1923.

THE HOME BANK OF CANADA

Notice of Quarterly Dividend

NOTICE is hereby given that a dividend at the rate of seven per cent. per annum on the paid-up capital stock of this Bank has been declared for the three months ending February 28. 1923, and that the same will be payable at the Head Office and branches on and after Thursday the 1st of March next, to shareholders of record at the close of business on February 14, 1923.

By Order of the Board.
J. COOPER MASON, General Manager.

Toronto, January 23, 1923.

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CANADA'S GREAT IRON DEPOSITS LYING DORMANT

Lack the Proper Incentive to Open Up Our Fields

WE NOW IMPORT

Interesting Data on Geology of Ranges as Preliminary to a Review of Iron Ore Situation

By W. A. DOWLER, K.C.

Mother Earth, like other structures, has a basement, put together before the rest of the structure. Geologists call it the "pre-Cambrian" series of rocks and tell us that the greatest single exposure of that basement is in Canada. The importance of this to Canada lies in the fact that recent years have shown that in that basement were stored Mother Earth's richest treasures for future use.

This basement is exposed in all that part of Canada surrounding Hudson's Bay and stretching down to Lake Superior and is confined as to exposure to Canada, except for a slight spur into New York State, and a slight projection, comparatively, southwest of Lake Superior, into Minnesota, Michigan and Wisconsin.

This latter projection, though only two or three per cent. of the whole pre-Cambrian area, is beyond doubt one of the richest mining regions of the world, containing as it does the iron and copper mines of the above-named states.

In Canada this basement has already given up the nickel mines of Sudbury, the silver mines of Cobalt and the gold mines of Porcupine and Kirkland Lake, and the story of its treasures has hardly yet begun, has not yet really begun so far as iron ore is concerned.

While the projection into the State of Minnesota has been made to give up its treasures in iron and these treasures have largely made the United States, the main body on this side of the international boundary yet remains practically unsearched.

The reason lies largely in the nature of the ore itself and the absence to date of the factors leading up to an effective search. On the one hand, the element iron is present in nearly every class of rock. On the other hand, such a thing as an iron ore deposit of a clean, straight grade does not exist.

When iron is present in the proportion of 15-49% the rock is usually referred to as "iron-bearing rock," or "iron formation." When it reaches 49% and the rock is suitable for furnace use as mined, the material is called "iron ore."

Rocks are either fused, melted masses, cooled, or of sedimentary origin. Iron ores are usually found embedded in or in connection with sedimentary rocks.

Sedimentary rocks were the result of precipitation and hardening, the loosely precipitated material being subsequently metamorphosed by hardening into sandstones, limestones, shales, slates, etc. For the most part they were originally lateral in formation, except when piled up in places by moving waters of the day of their precipitation—seas, streams and rainfalls. In places volcanic action has since folded and broken these formations and left them tilted and sometimes perpendicular.

Moving waters, surface and underground, circulating, ascending and descending, pure, acid and alkali laden and erosion, leaching and the weight of the iron elements have played an all important part in the quantity of the iron oxides and carbonates now found in the different sedimentary rocks classed as iron formations, and in the deposit in portions of these iron formations of beds of iron ore.

As a consequence, all areas of iron formation are irregular in outline, and all deposits of iron ore in these formations are still more irregular in shape and irregularity localized in these formations, and irregular in character and quality no matter where localized.

Until recently an iron mine has meant such a deposit of iron ore as could be taken to the furnace and smelted into pig as mined, either alone or in a blend with ore from other shipping mines, sometimes ore from twenty-five mines going into one blend or mixture and sometimes one mine sending ore to make up eight or ten different blends; and in the evolution of iron ore and pig iron production a process of sampling, mixing and grading has grown up which is a parallel of the sampler's mixing and grading of grain.

Recently, deposits of iron formation have been transformed into mines by washing, concentrating and beneficiating plants, the possibility of any of these transformations depending on the character of the iron formation to be treated.

By reason of all these facts, and the gross volume of suitable material required in a given place to make a mine, any effective search for iron mines necessarily means faith, courage, ability, persistence and money. These qualities have been largely lacking in such search as has been made in Canada. All these qualities have been present in a very high degree in the searching that has been done in Minnesota.

The factors which will lead up to an effective search in Canada are belief in the existence of iron mines and an impelling incentive. U. S. citizens have such an incentive to-day and Canadian citizens in a tenfold ratio. The U. S. deposits containing ore which can be used as mined are becoming reduced, notwithstanding the expenditure of millions in plants to husband them and an annual expenditure in Minnesota of about two millions in continuous exploration.

Canada is becoming an iron and steel producing nation on the shifting sand foundation of a foreign ore supply controlled by its strongest trade competitor and becoming less sufficient for that country; a country which wants pulp and paper raw material from us, untrammelled by conditions which, for the sake of our own bread and butter, we must maintain.

Editor's Note: This is the first of a short series of articles by Mr. Dowler on the Iron Ore Situation and Problems.

SPECIAL SERVICE TO EXPORTERS

In the interests of Canadian manufacturers, Newton L. Somers, B. Sc., is leaving Canada on an extended foreign tour which will be devoted to the development of export markets and the appointment of permanent agents. Mr. Somers' trip will occupy six or seven months and THE FINANCIAL POST has arranged for occasional reports and articles on trade prospects in the countries visited which will include Japan, China, Strait Settlements, Burma, India, Ceylon, Australia, New Zealand, South Africa, as well as Great Britain. A dozen manufacturers of textile and machinery products are represented by Mr. Somers, who is a director of the exporting and importing house of Hill and Company.

U.S. TARIFF BARRIER PROVES BOOMERANG

European Buyers Get Cream of Dominion's Fur Market

The worry of Canada's fur producers over the barrier which the U. S. tariff change of last September raised against their product was set at naught at the recent Montreal fur sale, when a host of European buyers stepped into the place vacated by those of the U. S. This was especially true of the silver fox market. The U. S. put 50% duty against the entry of such furs and purchases fell off accordingly. Europeans came to the rescue. Spanish buyers are taking large quantities; with English, French and Belgian merchants buying strong. The demand shows that Canada can market her foxes readily notwithstanding the prohibitive duty recently placed on the silver foxes by the United States government. A great many foreign buyers are present who are purchasing them for other countries than the United States. Silver foxes are bringing from 15 to 20 per cent. higher prices than was accepted by the shippers. The United States prohibitive duty in this regard is acting as a boomerang, for they are losing out.

Daniel F. Meehan, of New York, large importer and exporter of furs, frankly admitted that he was buying large quantities of silver foxes for direct shipment from Canada to Paris, France, but with regard to United States markets, purchases were being restricted somewhat by the high tariff. He said that limited purchases for U. S. consumption would put the price up materially.

DANGEROUS BOOM IN STEEL INDUSTRY

Iron Age Believes that Strength is Developing With Too Great Rapidity

The wheels of the business machine are rolling on at an accelerated pace, says the Bache Review, New York. Carloadings for the last week in January were over 67,000 cars ahead of the same January week in 1920, which was the best record of that week ever reported. This is one sure sign of general business activity, and another is the monthly iron production figures, which invariably forecast the trend of trade in general. For January, just passed, the daily average was 104,181 tons, total production 3,229,604 tons, which is the largest for any January during the war or since, with the exception of 1919.

The production for the first day of this month was 105,125 tons, showing that the expansion is continuing. That this iron production is the thing for the business observer to watch is shown by the correctness with which the trend of monthly iron production has, in former periods, indicated the direction of general trade activity. On this point, the New York Times says: "In September of 1918 the average daily output was 113,942 tons—a figure never matched before or since that month. The business uncertainties of the next few months were reflected in a decrease to 68,002, the daily average production of May, 1919. From this low figure the average rose to 108,900 in March, 1920—the high point of the period since 1918. After uncertain fluctuations between March and October, 1920, a prolonged series of reductions in the monthly output followed, culminating in the daily average of 27,889 tons reached during July, 1921. From that low record figure, the progressive monthly increase, at first slight but lately very substantial, has brought the story to January's 104,181. Any one can see how correctly the rise or fall has foretold the movement of general trade."

The Iron Age says that it is difficult to describe the steel situation without picturing it as gathering strength with dangerous rapidity. This tendency to increase in prices, not only in this trade, but in all trades, is one of the danger signals, and should it become too rapid, and rampant speculation enter into the situation, an end to the era of business activity might be brought about, as happened in 1919-20. This, of course, is looking a considerable distance ahead.

AUTOCRACY OF HYDRO HINDERS DEVELOPMENT

Power Contract Holds Up Great Lakes Paper Company

How Ontario and Canada have thus far lost the benefits of a big pulp and paper industry at the head of the Lakes and how losses on the Nipigon power development have been increased because this development has been held up, has been pointed out by THE FINANCIAL POST in describing the autocratic attitude of the Ontario Hydro Electric Commission in refusing to alter its one-sided contract form to meet the Great Lakes Paper Company on a reasonable business basis. These various points were particularly emphasized in the Ontario legislature last week by Attorney-General Raney in reviewing the whole case. The Great Lakes Pulp and Paper Company has been held to an arrangement to take power from the Hydro Commission, but the contract offered by Sir Adam Beck has been so one-sided that the company's bankers have refused to float bonds to raise the necessary capital with such a string tied to the mortgage. The Ontario government is now considering going over Sir Adam's head in order to negotiate an agreement which will relieve the province from the big deficit piling up on the Nipigon development.

Onerous Conditions

The Great Lakes Paper Company secured its limits in 1919 from J. J. Carrick, and in November of that year the outgoing government approved a form of agreement, but difficulties came between the company and the Hydro. Mr. Raney read a letter from Mr. Alsted to Sir Adam Beck written in December, 1919, in which objection was taken to providing a bond for $500,000 for a period of ten years for the performance of the power contract as the writer had understood that no bond of this kind would be requested. Further Mr. Alsted pointed out that the contract relieved the Hydro Commission from performance during any period it is unable to furnish service as the result of strikes, act of God, etc., while no relief was provided for the consumer under any circumstances. Mr. Alsted also pointed out that by statutory enactment no action could be brought to enforce the contract without the permission of the attorney-general. He asked that this obstacle be removed and that the company be given free access to the courts of the country to enforce contractual rights as would be the case in making a contract with any other corporation.

Beck Causes Trouble

Mr. Raney stated that this letter had evidently never been answered but conferences had been held between Mr. Alsted and his solicitors, Sir Adam Beck and Mr. Gaby, in which the government had endeavored to bring the parties together. However, friction developed and Mr. Alsted, declaring that Sir Adam Beck had impugned his good faith, left the country and refused to negotiate further with the Hydro Commission.

Then Mr. Alsted fell back on his legal rights under the Carrick agreement with the government demanding power on a contract acceptable or the right to secure power elsewhere.

The Great Lakes Company, through the courts, secured a ruling that it would not require to use Hydro power. However, last year the provincial government succeeded under some pressure in getting Mr. Alsted to make a definite agreement to proceed with the erection of the pulp and paper mill with a capacity of 100 tons per day, to spend $400,000 before February, 1924, $2,000,000 before February, 1925, and to employ in the mill to be erected 600 hands. For some weeks, Mr. Raney explained, the government had been in negotiation with Mr. Alsted and he expressed the opinion that if it was not possible to get a contract on a basis to ensure this development it would not be Mr. Alsted's fault. He intimated that the government would go over the Hydro Commission's head, if necessary, in making a workable agreement.

Not in Mexico's Class

Mr. Raney also referred to the suggestion that the government cancel the Great Lakes Company's license. In pointing out that this would be a direct repudiation of a solemn agreement, Mr. Raney referred to the fact that the United States had severed friendly relations with Mexico because of repudiation by that country of its contracts with American citizens. The government of Ontario did not propose to put Ontario in the same class with Mexico as a repudiator of contracts.

The Canadian National Railways report gross earnings for the first week of February amounting to $1,885,611 as compared with $1,883,607 for the corresponding period last year, an increase of $2,003.

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A WILLINGNESS TO GIVE THORNTON HIS OPPORTUNITY

Moncton Agitation Meets a General Rebuff

WANT LARGER AREA

Maritime Town Thinks That Eastern Division Should be Extended Westward Into Ontario

From Our Own Correspondent.

MONCTON. — Somewhat exercised by a report that Riviere du Loup would be the western limit of the eastern division of the Canadian National Railways, the Moncton Board of Trade sent telegrams to all Maritime boards of trade and members of parliament urging action to have the western limits of this division fixed at Brockville and Cochrane, Ontario. This proposition, however, does not appear to have evoked enthusiasm.

The Sydney, N. S., Board of Trade, after a meeting, replied: "Our members fully sympathize in your aims and endeavors to secure all you can for the Maritime provinces, but they cannot understand why you should demand that control of the eastern division should be extended, not only from Riviere du Loup to Montreal, which would seem to be a reasonable proposition, but beyond Montreal into Ontario to Brockville and Cochrane. ......Our members are inclined to question the propriety of introducing politics into this matter.......Sir Henry Thornton has been guaranteed against any such interference with his railway policy."

The Halifax Board of Trade replied that it was on record as asking that the division extend over the original Intercolonial section, which ended at Levis, opposite Quebec.

Give Thornton a Chance

"We would like to see the eastern division extended to the limits you mention," the Halifax board continues, "but we are afraid you will not only have the Quebec but also Ontario people against you, as the section you ask for practically extends to Toronto. You must remember Quebec has also urged that its province should be a division in itself, and Sir Henry Thornton has intimated that he would like another Quebec man on his board, so that our feeling is that if we ask too much we will not get the territory between Riviere du Loup and Levis."

T. W. Caldwell, the farmers' M. P. for Carleton, N. B., replied: "If Sir Henry Thornton is big enough to manage the Canadian Government Railways he will not tolerate such interference; and if he is not big enough to successfully handle them, such interference will not add to his efficiency; and if through such interference the government roads are handicapped, Sir Henry and the Board of Directors will bear the blame. Therefore, I say 'Hands off,' and give the directors a chance to demonstrate without political interference what can be done to put the railways on a paying basis."

Keeping "Hands Off"

Some of the boards of trade of the smaller towns support the Moncton demand, but the majority of boards and M. P.'s are evidently not anxious to interfere, though mostly expressing the hope that the eastern division will extend to Montreal.

Moncton's argument is that I. C. R., having been built to assure the entrance of the Maritimes into Confederation, Maritime jurisdiction should at least extend to the metropolis of Montreal. The demand that the division be extended west of Montreal is based on the assumption that the executive of the central division, being anxious to show as large gross earnings as possible, would be interested in diverting export traffic to the Grand Trunk line to Portland, Me., instead of handing such traffic over to the eastern division for export through the winter ports of Canada. This aspect might be expected to interest St. John and Halifax, but evidently they have not been impressed. Another Moncton argument is that if the Maritimes are to develop their fish and other perishable product business with interior Canada, the eastern division should have full control of traffic as far as Montreal, an important market, with a strategic position in the transportation system.

Leave It To Executive

There have been suggestions that the new directors aimed to make each division as self-contained as possible. If that is the purpose, it is argued that Maritime commodities might be subjected to two rates before they could enter the important Canadian markets, and that self-contained rates, based on traffic as far as Riviere du Loup, might be a handicap, since there is no market there.

However, outside of Moncton, there seems to be a disposition to trust the general executive of the C. N. R. to develop a policy which will assure a satisfactory inter-connection of traffic between the divisions.

Alberta Mines Could Supply Much More Coal

From Our Own Correspondent.

EDMONTON. — Notwithstanding several miners' strikes during the year, the coal production of Alberta in 1922 exceeded that of the preceding year by 38,549 tons. The figures were 5,975,744 tons, representing the total output of all grades of coal in all parts of the province.

Some 330 mines were in operation during the year, for part or whole time. This fact is regarded as one of the unsatisfactory phases of the situation, the number of mines being quite too large for the production or for any business so far in sight. It is probable that fewer mines will be worked this year, as the futility of operating on as small a scale as many of them found necessary is becoming apparent. There will be no fear of the Alberta mines not being able to supply the demand if the whole trade this side of the Great Lakes were to be given them.

QUITTING MONCTON FIELD

The Imperial Oil Company has ceased oil drilling operations at Moncton, Alta., and is busy dismantling its rig and withdrawing the casing from the well. The completion of this work will take two months. It is not expected that the company will make any further attempts to locate oil in that immediate vicinity.

CANADA CROWDING U.S.A. FOR MOTOR EXPORT RECORDS

Last Year Exported Fully Half as Many Autos as Neighbor

From Our Own Correspondent.

MONTREAL. — The remarkable position to which Canada has attained in the exports of automobiles and motor trucks is hardly appreciated by Canadian business men. During 1922 Canada imported from the United States some 10,000 passenger automobiles and about 1,250 motor trucks. In the same year Canadian exports of passenger cars and trucks totalled 37,958.

With the establishment in Canada of the export manufacturing units of the General Motors of Canada, the Ford Motor Co., and other important motor manufacturing organizations, Canada's position in the export of motor cars will undoubtedly be enhanced. But at the moment the very noteworthy fact can be recorded that during 1922 Canada exported approximately half as many automobiles as the United States. As recently as 1918 Canada's exports of automobiles were only one-fifth the United States' total.

How the United States and Canadian exports of passenger cars and trucks compare for the past five years is shown in the following table:

	U. States	Canada
1918	50,334	10,361
1919	82,730	22,949
1920	171,644	23,012
1921	38,430	11,716
1922	78,235	37,958

How Exports Have Grown

In 1921 there was a tremendous slump in the demand for Canadian built passenger cars. During that year less than 10,000 were exported although in 1920 the figures had reached 18,000. But in 1922 a better stride was struck as this tabulation will indicate:

	— Passenger Cars —	
	Number	Value
1913	*	$3,395,382
1918	10,361	5,076,076
1919	19,597	11,580,260
1920	18,070	13,576,179
1921	9,755	4,592,664
1922	35,394	21,059,574
	— Motor Trucks —	
	Number	Value
1913	*	*
1918	†	†
1919	3,352	$1,673,256
1920	4,942	3,059,056
1921	1,421	718,780
1922	2,564	1,094,519

* Not shown.
† Inc. in pass. cars.

As the preferential tariff between the various parts of the British Empire has played a large part in upbuilding the Canadian automobile industry it is hardly surprising that the largest portion of Canada's automotive exports is directed to British territories. Australia is the largest market, taking 10,687 passenger cars and 1,574 trucks in 1922. The United Kingdom came second, followed in order by New Zealand, British South Africa, Argentina, India, Sweden, and the Dutch East Indies.

FARMER MORTGAGED CROP; THEN SOLD IT

Trusts and Guarantee Co. as Receiver Has Interesting Calgary Case

An Alberta farmer has been arrested on a charge of stealing his own crop, it being charged that after making an agreement with a mortgage company to cover a loan, he sold a part of the crop to pay other debts. The case is more or less complicated. The Western Agencies and Development Co. loaned John Simmons $600 at 15 per cent. interest. He gave a note and assigned an interest he had in a lease. Foreclosure proceedings were started and about this time The Trusts and Guarantee Company were appointed receiver for Western Agencies. Later Simmons appointed The Trusts and Guarantee his receiver also.

In September, 1922, defendant borrowed $700 from H. Fawcett and gave him in security a chattel mortgage on certain chattels and for further security a bill of sale of the crop, which was then cut and in stook. The Trusts and Guarantee Company had arranged with the defendant that he should harvest, thresh and haul the crop to save expense, the grain to be placed in elevator and the tickets taken out in the name of The Trusts and Guarantee Company. The threshing bill was to be paid by hauling enough wheat to the elevator, against which the receiver would issue cheques to pay the threshing bill.

Instead of carrying out this agreement the crown alleges that the defendant hauled sufficient grain to the elevator to pay the threshing account of $253.69, and hauled enough to pay his indebtedness to Fawcett, with a balance for himself. His prosecution was a result.

CORPORATIONS MAY YET WIN OUT IN INTEREST CASE

Exchequer Court and Parliament Still Two Resorts of Appeal

MEANS ALL INTEREST

Some Further Elucidation of Points Raised in Article in The Financial Post

From Our Own Correspondent.

MONTREAL.—The recent ruling of the Department of Income Tax at Ottawa to the effect that interest on bonds, bank loans and mortgages would not in the future be considered as an expense but that income tax would have to be paid by corporations upon the same, has caused no end of confusion in the minds of corporation heads. Many others naturally find it difficult to believe that such a ruling could be made. The information contained in THE FINANCIAL POST'S original article brought an inquiry from a corporation the other day. This read:

"In an article published in your paper of last week's issue regarding changes in income tax, it was mentioned that interest paid on bonds, bank loans or mortgages was not to be considered as an expense but income tax would have to be paid on same.

"We took this matter up with the C.M.A. and we are advised that the question of bank discount or exchange and bank interest is not involved in the matter at all, and the only point at issue is the interest on bonds and the discount on bond issues.

"Taking into consideration the two statements we are naturally wondering who is right and who is wrong. We are deeply interested in the matter and will be glad to have you write and advise us just what is what."

Some Further Explanation

The reply of THE FINANCIAL POST to their letter was as follows:

Our information is to the effect that the new ruling of the Department of Income Taxation at Ottawa covers all forms of interest paid by a corporation, including bank interest and interest on mortgages.

As we pointed out in our previous article the ruling is being contested and there is no certainty that it will be allowed to stand. In the meantime, however, the companies are being required to make their returns on the basis of this ruling and if any firm should pay tax on this basis and the ruling is subsequently reversed either by legal process or by statute, there will naturally be a refund. The matter is much more complicated than this, even; if the ruling were allowed to stand it would mean that every holder of a corporation bond who has paid his normal income tax on the income sum would have to be refunded the amount of income tax paid for the years 1921 and 1922.

This ruling developed indirectly as a result of a somewhat different matter. A milling company in Tillsonburg, Ont., deducted from its income certain discount on securities. The Bell Telephone Corporation, which had sold some bonds in the United States at a considerable discount amortized the amount of the discount over a term of five years and deducted the yearly amount from income in making its return. The Commissioner of Taxation objected to this and to settle the dispute put this problem up to the Department of Justice. The Department of Justice read the act carefully and ruled that discount on bonds should not be considered as an expense. Then to justify its ruling it also stated that interest on bonds and bank interest of any kind could not be considered as an expense.

Naturally these companies objected to this ruling. The matter was put before the Board of Arbitrators and it has not yet been decided by them. If their decision is against the companies, the matter will then undoubtedly go on to the Exchequer Court, and if this court again decides against the companies a strong case will be made to the Minister of Finance to introduce legislation that will so clarify the act as to make these items deductable as an expense and not subject to income tax.

You will see, therefore, that the matter is still in the air as it were, and the Department is going ahead now on the basis of its ruling. The final decision may be in favor of the companies.

Chauncey Depew Finds Life is Worth Living

Chauncey M. Depew, in an American Telephone radio address in New York recently, gave these secrets of longevity and happiness:

"As a guide I have made the following rules which have carried me in mental and physical health to within three months of 89 years of age:

"We pass this way but once. We cannot retrace our steps to any preceding milestone. Every time the clock strikes it is both the announcement of the hour upon which we are entering and the knell of the one which is gone. Each night memory balances the books and we know before we sleep whether the result is on the right or wrong side of our account.

"The older we grow the more we realize that life is worth living. We think too little of the fun there is in it. We are too parsimonious of laughter. We do not appreciate as we ought the man or the woman who can make us forget while we are amused. We cannot help the past and that man is a fool who lives in it. To-day is a better day than yesterday.

"The secrets of happiness and longevity, in my judgment, are to cherish and cultivate cheerful, hopeful and buoyant spirits. If you haven't them, create them. Enjoy things as they are. The raggedest person I ever saw was a Turkish peasant standing in the field, clothed in bits of old carpet. He was laughing hilariously at our well clothed party. The combination of color and humor made him a thing of beauty, if not a joy forever.

"Let us never lose our faith in human nature, no matter how often we are deceived. Do not let deceptions destroy confidence in the real, honest goodness, generosity, humanity and friendship that exists in the world. They are overwhelmingly in the majority."

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That is why so many men die without making any will.

That is why so many a comfortable little fortune is wasted in legal tangles.

That is why so much property gets into hands for which it was never intended.

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The Ontario Loan and Debenture Company

The Fifty-Second Annual General Meeting of the Shareholders of this Company was held on Wednesday afternoon, 14th instant, at the Company's Offices, London, Ontario.

The chair being taken by the President, Mr. A. M. Smart, the Manager, Mr. T. H. Main, who acted as Secretary, read the notice calling the meeting, and the minutes of the last meeting were, upon motion, confirmed.

The Annual Report was then presented, as follows:

London, Canada. 30th January, 1923.

To the Shareholders:—

Your Directors have pleasure in presenting their Annual Report for the year 1922.

A good demand for Mortgage Loans prevailed through the greater part of the year. Thus while your Directors continued to exercise the greatest care in placing loans, real estate prices and building costs being still abnormally high, the Company's funds have been kept well employed and the total of Mortgages has increased.

Payments on Mortgages of urban properties have been exceedingly well met. Those on Mortgages of farm properties not quite as well as usual, as agriculture has been bearing perhaps more than its fair share of the burden of deflation. Good crops throughout the country have, however, greatly assisted, and money is now beginning to circulate more freely, particularly in Western Canada, where not only was the crop abundant but of splendid quality.

The Company's issue of Sterling and Currency Debentures have both increased, the additional funds showing in turn an increase of invested assets.

After payment of Provincial and Municipal Taxes, Interest, Expenses and Charges, and after making ample provision for possible losses and contingencies, the

Net earnings for the year 1922 are		$294,682.83
Balance brought forward from previous year		46,244.19
From this total available		$340,927.02
Dividends (Quarterly) at the rate of 10% per annum have been paid	$175,000.00	
Bonus of 1% for the year in addition thereto	17,500.00	
Transferred to the Reserve Fund	75,000.00	
		$267,500.00
Balance		$ 73,427.02
Dominion Government Income War Tax		23,976.03
Balance carried forward		$ 49,450.99

The Auditors have carried on their usual thorough audit, and have at frequent intervals verified the Cash and Bank balances, and examined and verified the negotiable Securities. Their Certificate in form prescribed by the Loan Corporations Act will be found following the Financial Statement submitted herewith.

Your Directors take pleasure in acknowledging the care and attention given the Company's affairs by its Agents in Scotland, and their entire satisfaction with the manner in which the officials and staff of the Company have performed their duties.

All of which is respectfully submitted.

A. M. SMART, President.

Financial Statement, 31st December, 1922

ASSETS

Office Premises (freehold)	$	40,000.00
Real Estate held for sale		92,321.41
Mortgages—Principal $4,577,877.71, Interest $121,912.87		4,699,790.58
Loans on Company's own Stock		214.56
Loans on other Stocks and Bonds		25,150.19
Securities of United Kingdom, Dominion of Canada and Provinces of Canada		1,170,708.93
Securities of Canadian Municipalities, School Districts and Rural Telephone Debentures		1,059,700.39
Securities guaranteed by Dominion of Canada and Provinces of Canada		683,286.55
Stocks (fully paid)		3,000.00
Cash in Chartered Banks in Great Britain		7,970.96
Cash in Chartered Banks of Canada		221,778.69
		$8,003,922.26

LIABILITIES

To the Public:—			
Debentures, Sterling, including accrued interest	$1,180,566.52		
Debentures, Currency, including accrued interest	1,595,062.10		
			$2,775,628.62
Deposits			942,592.65
			$3,718,221.27
To the Shareholders:—			
Capital Stock Subscribed, $2,550,000.00.			
Capital, fully paid	$1,550,000.00		
Capital, partly paid	200,000.00		
		$1,750,000.00	
Reserve Fund		2,425,000.00	
Dividend payable 2nd January, 1923		43,750.00	
Bonus of 1% for the year also payable 2nd January, 1923		17,500.00	
Profit and Loss Account, Balance carried forward		49,450.99	
			$4,285,700.99
			$8,003,922.26

T. H. MAIN, Manager.

To the Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company continuously throughout the year ended December 31st, 1922, and find them correct, and the above statements in accordance therewith. We have verified the Cash and Bank Balances, and have examined the Company's securities and find them in order. All our requirements as Auditors have been complied with, and, in our independent opinion and according to the information and explanations given us, the above statement are properly drawn up and set forth fairly and truly the state of the Company's affairs.

All transactions that have come within our notice have, we believe, been within the powers of the Company.

London, Ontario, 30th January, 1923.

F. G. JEWELL, F.C.A.
J. F. KERN Auditors.

The President, moving the adoption of the report, said in part:

The Directors' Report and Financial Statement you have had for some days, and is no doubt as gratifying to the Shareholders as it is to the Directors.

Our debentures, both sterling and currency, show an increase beyond the amounts of a year ago. The former could doubtless have been still further augmented, but the condition of exchange, although greatly improved, is still such that the £ cannot be converted into dollars without considerable loss. It is freely predicted that the time is not far distant when the present greatly reduced discount on sterling will entirely be overcome and the £ be again quoted at par or better.

Advances on first mortgages on real estate form your company's most important investment. These still continue to increase, and at the end of 1922 amounted to $4,699,790.58, as compared with $4,430,242.02 at the end of the previous year. Great care is exercised by the Directors in making these loans. On the whole the results have been eminently satisfactory. There are always some borrowers, however, who for various reasons fall by the way, and it becomes necessary to find new purchasers to replace them. While these cases are comparatively few, there have been of late a larger number than usual among the farming community of Western Canada. When the high cost of producing, harvesting and transportation, together with the much lower prices now obtainable for all farm produce are considered, it is not surprising that such is the case. With the return of more normal conditions the Western farmer will again doubtless come into his own.

It should be noted the abundant crops of last year will furnish, it is officially estimated, an exportable surplus of 312,000,000 bushels of wheat, thus placing Canada as the leader of all the wheat exporting countries. Not only is the quantity very great, but its quality is nearly all of the highest grade of hard wheat grown anywhere. The marketing of this crop will furnish work for the milling and transportation companies well into the coming summer and the proceeds of its sale will not only benefit the farmer but tend to stimulate in no small degree all lines of business throughout the country.

Your Company's other principal assets consist of $1,853,995.48 invested in the securities of the British Government, the Dominion of Canada and its Provinces, together with municipal and school section debentures of $1,059,700.39.

The profits available for distribution were, in common with other similar corporations, slightly decreased. For the previous ten years the additions to the reserve fund have been $100,000 each year. This fund is now equivalent to 140% of the paid-up capital of the Company, and it is now felt that such large increases are no longer so requisite. A bonus of 1% for the year was therefore declared in addition to the usual dividend of 10% per annum, and $75,000 was carried to the reserve fund.

I have much pleasure in moving that the report of the Directors, together with the statement of the Company as presented, be received and adopted and shall ask the Vice-President to second this resolution.

The Vice-President, Mr. C. R. Somerville, in seconding, spoke as follows:

The excellent report and statement just read forms no exception to those you have been in the habit of having presented year after year. Before it was formulated the assets received almost exhaustive scrutiny in which a committee of the board, of which I was a member, fully satisfied themselves that the figures as set down are more than justified by actual values. If there is any error it is certainly on the side of safety. One of your Company's very valuable assets and one that does not appear in the balance sheet is its splendid credit. I spent some little time last summer in Scotland. I had the pleasure of meeting our esteemed agents in Edinburgh and can vouch for the high standing and reputation of our Company in that financial center. Many investors there have held our debentures for thirty years and upwards. Notwithstanding the heavy burden of taxation they are carrying, there is a growing amount available for investment and I think we may look for increased sums when exchange will again permit.

The taxes such companies as ours are called upon to pay are by no means negligible. Quite apart from those levied by the municipality, real estate and business, together with the taxes and license fees to each Province in which the Company operates, you will note by the statement, the war income tax for last year is $23,976, a sum equal to 1.37% on our capital stock. Were this payment eliminated, it would make it easily possible to double the rate of the bonus declared. Many are commencing to look to all governments, municipal, provincial and Dominion, to set an example of reasonable economy in the curtailment of all unnecessary expenditures, to the end that at least some of the load of taxation may be removed from both corporations and individuals. I beg to second the resolution adopting the report of the Directors.

The report was then adopted unanimously.

The scrutineers were then appointed and the election of directors proceeded with, Messrs. A. M. Smart, C. R. Somerville, Lieut.-Col. William M. Gartshore, J. M. Dillon, J. G. Richter and Arthur T. Little being re-elected for the ensuing year.

It was moved by Mr. George C. Gunn, seconded by Judge Talbot Macbeth, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected auditors of the Company. Carried.

The meeting then adjourned, and at a meeting of the Board of Directors, held subsequently, Mr. A. M. Smart was re-elected President, and Mr. C. R. Somerville, Vice-President of the Company.

CAUTION BEING ADVISED AS TO FUTURE TRADING

Local Markets Are Quite Active With Some Recessions

MINES WEAKEN

Power Situation in North Causes Some Selling—Bond Market Continues Quite Firm

The market has continued decidedly active during the past week. There has been a steady buying daily, many groups showing considerable strength. However, the list was not always as buoyant as it was broad and while many notable gains were made, there were also some notable recessions.

Brazilian Traction provided the leadership most of the time for both Toronto and Montreal markets. This issue created a big interest. The gains of the week were fairly well divided among the various groups. Some of the paper group shares in the advance but for the most part these issues were soft. Industrials came in for a scattered trading but these issues were generally firm and where the slightest buying developed, advances were recorded. Some of the specialities came in for attention and rose to new levels. Milling and textile issues held their position fairly well, while the strictly investment issues were particularly firm.

Oils were steady, while the mining list, after moving up to new levels in most cases, showed a sudden weakness due to the reports from the North that the power shortage was again to the fore and that the large mines of Porcupine would have to curtail their output temporarily. The Kirkland Lake gold issues, however, held their position. There has been quite an interest in the silver issues during the week and some new highs for the year were recorded. There has been considerable buying.

The bond market has been steady throughout the week. The tendency has been to move to higher levels and this was an actual fact with some of the Victories. There is a general feeling that the advance in the price of good bonds has by no means reached the summit. This is the opinion of New York investment houses and seems to be the generally accepted opinion on this side of the line. There may be a slow rise in money rates, says New York, but there is nothing in sight to stop the rise in bonds.

The consensus of opinion is that the market is far from the top as yet. Predictions of better business are general. There is a feeling of optimism as to the outlook for business and this, of course, if true, means greater earnings. The point that must be watched, however, is for the breaks. When will the peak be reached? The best opinion is that the peak will not be reached in one jump. There will be a series of ups and downs. Leading students of the markets are losing no opportunity these days to impress upon their clients the fact that the market in this stage of the Bull movement must be watched.

Have stocks discounted the greater earnings on business which are accruing from the advance in the price of many commodities? is the question being asked. The consensus of opinion is that they have not. Hayden and Stone say that in a number of instances they have not by quite a margin.

They take this as a justification for advising that the optimistic position be still adhered to. But here is their warning:

> "We believe that optimism should be tempered by the realization that we are steadily approaching the final period; not, necessarily, of business activity and profits, for these should continue well through the year, but in all probability of the market discounting of those profits."

Barrons also advise caution in the following manner:

> "The rise so far is limited to specialties; but when it broadens out to include the main body of stocks we may know that the bull market is in full swing. Yet remember that this is the last act in the bull market."

The Bache Review sees higher prices but does not fear for speculation as there is plenty of money available. They look for a continued rise in the market as shown by the following:

> Money is becoming firmer as a result of steadily increasing business demand, but the untapped resources of credit will obviate anything like stringency. A 6 per cent. call rate would not prevent active speculation in stocks, but would act against a rise in the higher classes of bonds. The momentum of profitable business and the rise of prices in commodities are forces which operate almost invariably in favor of higher prices in stocks.

CLARKE BROS. CASE

The court action of Charles H. Jones & Co. against Clarke Brothers, which was decided for the plaintiff, was dismissed insofar as W. G. Clarke was concerned.

New Issue

$3,250,000

$2,435,000 have already been placed in the United States by Messrs. Kissel, Kinnicutt & Co., Spencer Trask & Co., and E. H. Rollins & Sons, New York

Winnipeg Electric Railway Company

20 Year General Mortgage and Collateral Trust 6% Gold Bonds

Dated March 1, 1923 Due March 1, 1943

Principal and Interest payable at the Bank of Montreal, New York, Montreal, Toronto, and Winnipeg.
Trustee: The Royal Trust Company, Montreal.

1. Total Net Depreciated Assets Over . $30,000,000
Total Bonded Debt . . . 12,630,000
2. Net Income 1922 . . . . $ 1,650,688
Interest on all mortgage debt, including this issue 643,028
3. Net Earnings Power, Light and Gas Depts. (exclusive of Traction System) $ 813,908
or 1¼ times total in charges.

Earnings from power should increase materially. The Manitoba Power Company (controlled by stock ownership) is just completing the installation of its second unit of 28,000 h.p.; this power is available for distribution by the company.

Price 95 and interest to yield about 6½%

Full particulars on request

NESBITT, THOMSON & COMPANY
LIMITED
305-7 Bank of Hamilton Building, TORONTO
MONTREAL HAMILTON LONDON, ONT. WINNIPEG
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News and Views for Investors

KIRK GOLD MINES

Kirk Gold Mines has increased its holdings in the Kirkland Lake District, by taking in what is known as the Taylor claim, No. L-2295, containing 43 acres, adjoining our present property on the south, thus giving us a total of 130 acres, or property extending over a distance of three-quarters of a mile north and south in the proven belt.

PORCUPINE CROWN

Porcupine Crown is standing idle. It will complete its adjustments with the Thompson-Krist before operations are resumed. Another reason for the delay is that it is hoped that Hollinger and Vipond developments may indicate the trend of veins from either of these properties into the Crown. The company started 1923 with a surplus of $175,802. There is also about $40,000 due from the Thompson-Krist when a settlement is made.

LAURENTIDE POWER

Laurentide Power earned 6.38% during 1922 and paid 4% and later 5% during the year. Earnings were $670,806, or over a hundred thousand above 1921, due to the fact that the new units just completed about the end of 1921 were in continuous operation during the year. The capacity of the plant is now 165,000 h.p. During the last six months of the year the Shawinigan Co. took its full contracted supply. 87,500 h.p. and with the 37,500 taken by the Laurentide Co. brought the total to these two companies to 125,000 h.p. In the first six months of the year the company sold 117,500 h.p. daily. The surplus for the year was $69,238,, subject to adjustments as compared with $12,632 for 1921. With the heavy new earnings, the 1923 earnings should be materially higher than last year.

FRASER COMPANIES

The Fraser Companies of Edmunston, N.B., wound up their 1922 business with working capital standing at the high mark of $2,049,924. This, however, is below that of 1921 because of the severe writing down of inventories which marked the year. Net profits as a result of the year's operations were $804,614 and interest charges reduced this to a balance of $341,617 which added to last year's surplus left a balance of $1,097,759. Surplus account stands at $523,759.

PROVINCIAL PAPER

The Provincial Paper Company seems assured of a good year in 1923 to follow the splendid year just past. Orders for 4,000 tons of half-tone news have already been received from the United States, which means about 6 months' production for the new Port Arthur plant. This plant is expected to commence operations next week. Repeat orders are looked for which, with local business, will keep the new plant fully occupied.

A business with New Zealand and Australia is becoming established. Orders from this source now amount to some 200 tons a month, principally for cheap grade of writing paper.

BROMPTON MOVED UP

Since the block of 140,000 shares of Brompton common was listed on the Toronto Exchange the issue has sold up from 39 to 43. This is a popular member of the paper group. It has been dealt in through the unlisted department for some time. Brompton is not paying dividends at present.

The preferred dividend, which was at a rate of 8 per cent. per annum, was passed in February last. The rate on common was increased from 5 to 6 per cent. on November 1, 1919; $1.75 per share was paid November 8, 1920, after the stock had been declared to be without par value, $1 was paid May 16, 1921 and none since. Earnings for the past year are said to have been on a scale to justify the hope of the resumption of the dividend on the preferred at a not distant date. The stock first appeared on the Montreal market in November, 1916, and sold up to 79. In the following years it ranged down to a low of 38, but in 1920, when the boom in pulp and paper stocks was at its height, a high of 151 was reached. The stock was finally split up on a basis of 2 for 1, and with the depression in the pulp and paper industry the price gradually slumped till a low of 15 was reached in February last.

TECK-HUGHES DIVIDEND

The directors of Teck-Hughes have shown good sense in disposing of the clamor for a dividend on that issue by announcing that dividends will not be considered until after the bonded debt of the mine has been fully met. This is the only right thing to do. It is good mining and a catering to business sense rather than to the speculators who were more interested in a stock movement than in real mining. Teck-Hughes owes $324,000 and there will be a much better chance of the mine going on a permanent dividend basis with the debt out of the way, than it would have if the debt was allowed to remain.

BRAZILIAN ADVANCES

Brazilian has taken the leadership in British interest on the local exchange these days with the result that Barcelona is not quite so prominent. There has been heavy buying from abroad of the Brazil issue, presumably as a result of the announcement of the new Brazilian tariff which will ultimately bring about an improvement in the exchange situation and the general increase in earnings. A week ago Brazil was selling at 45 and is now up 5 points while the sales for the week totalled 30,000 shares as compared with 1,100 the week previous. Barcelona on the other hand was in a slightly increased demand during the week. The price arose from the week opening of 19 to 20 and then when interest died sagged back a point. The transaction for the week totalled 5,700 as compared with 4,300 the week previous.

SHAWINIGAN POWER

Shawinigan Water and Power shareholders asked Vice-president Julian C. Smith why it was that the dividend rate remain unchanged since 1916 while the earnings of the company had about doubled. The dividend is 1¾% quarterly. The reply was that the company had spent large sums in 1920 and 1921 in development to meet expected new demands for business. This failed to materialize and only during the latter part of 1922 did the contract total come up to expectation. It is interesting to note that this company is steadily liquidating its outstanding issues, having taken up its 7½% notes during the past year. There only remains the wiping out through the operation of the sinking fund of the $3,808,500 balance of the $5,000,000 issue of five per cents. to leave the company in the position of having but one class of stock and one of bonds.

HOLLINGER, DOME, McINTYRE

Speculators in the three big Porcupine Mining stocks proved easy victims during the present week, when they grew a little panicky over the power situation and rushed in to sell. They lost. With the month of March at hand and Spring just around the corner, a power shortage at best could not interfere with production for more than two months. Selling of Hollinger was a feature, though for that matter the three big mines were sold freely as shown by the following sales for the week with the asked price of a week ago and now:

		Asked Price	
	Wks. Sls.	Wk. Ago	Now
Hollinger	23,000	14.30	13.00
Dome	4,080	43.00	41.00
McIntyre	7,120	19.84	19.00

When it is remembered that these are all dividend paying stocks and that the Hollinger annual meeting is close to hand, when there will be an increase made in the dividend and perhaps a bonus paid, it is hard to appreciate the reasons behind this rush to sell.

ABOVE SUSPICION

The unfortunate part about a contractor's inefficiency is that the Owner usually has to pay for it, which is about the best argument we can advance for recommending a contractor whose efficiency is above suspicion.

Thompson - Starrett Company, Limited

Building Construction
910 Drummond Bldg.,
Montreal

"BELL" HAS CAPITAL TO FINANCE PLANS

These Include Two New Exchange Buildings for Montreal—Two for Toronto

From Our Own Correspondent.

MONTREAL.—Although the Bell Telephone Co. is planning to spend $13,500,000 on plants, equipment and extensions during 1923, as against $8,000,000 during 1922, it is hardly likely that there will be required any new financing during the present year. The company raised $5,000,000 last year by the sale of stock and over $6,000,000 early in the present year. These sums together with large amounts that are made liquid by the sums written into depreciation reserves have given the company a large amount of capital to work with.

The Company is not experiencing the same difficulty at the present time in getting materials as it had a year or two ago. At the same time telephone equipment takes a very long time to manufacture and it is necessary to give orders from six to twelve months in advance for such essential things as switch boards and cables. In fact the Bell Telephone Co. plans so far in advance that it is already preparing estimates for equipment that will not be needed until 1924 and 1925.

The company has outstanding now $16,750,000 of bonds all due in 1925. These include $5,500,000 of bonds sold in the United States in 1920. Capital stock outstanding at December 31, 1922, totalled $32,049,000 but the issue made earlier in the year brings this total to $38,000,000. The company has a capital authorized by charter of $75,000,000 of which there has been authorized by shareholders an amount of $50,000,000. It will be seen therefore that the company has room for tremendous expansion —without any change in the present capitalization.

In connection with the Company's problem of raising capital it may be noted that a very important factor is the stock bought under the employees' stock purchase plan. Continuously sums are being subscribed for stock by the employees and this gives the company a steady source of new capital in small but valuable amounts.

FARMERS OWN THIS MORTGAGE COMPANY

Saskatchewan Mortgage and Trust Successfully Passes Difficult Period

Profits of the Saskatchewan Mortgage and Trust Corporation for 1922 showed expansion over previous years and with a premium on stock $20,000 was added to reserve in addition to the distribution for dividends:

Profit and Loss

	1922	1921	1920
Profits	$ 10,786	$ 9,731	$ 10,292
Tax reserve	753	952	849
Net profits	$ 10,033	$ 8,779	$ 9,443
Pm. on stocks	18,592	9,112	
Bal. forward	7,569	7,074	4,839
	$ 36,194	$ 24,965	$ 14,282
Dividends	9,116	7,396	7,208
Reserve	20,000	10,000	
Balance	7,079	7,569	7,074
	$36,195	$ 24,965	$ 14,282

The value of estates under administration is nearly $3,000,000, having increased half a million during the year.

Nearly all the subscribed capital stock has now been paid in full and the directors have adopted a policy of strengthening the reserve fund. The company is purely a Saskatchewan concern with about 700 shareholders, of which the majority are farmers, and has successfully passed through some rather trying experiences in its fourteen years history.

The president, A. E. Whitmore, spoke confidently regarding the future. Hard work and economy, he emphasized, were necessary in solving the problems of readjustment. The most important single factor was immigration of the right kind and properly directed. Mayor Burton referred to the improved outlook for both British and American capital in the development of Canadian resources.

WINNIPEG ELECTRIC

Gross income of the Winnipeg Electric Railway Co., for the year 1922 amounted to $5,517,078, as compared with $5,579,431 for the previous year. Operating expenses including maintenance and taxes, totalled $3,866,390, as against $3,906,765, and net income at $1,650,688, compared with $1,672,666.

HAMILTON DOES NOT APPRECIATE RAILWAY SYSTEM

Directors Say This Reason Profits Are Not Better

Satisfaction is expressed by the directors of the Dominion Power and Transmission Company in being able to report a tendency towards improvement in the company's affairs, which became more and more definite shortly after the middle of last year. Little relief has been experienced in the problems affecting the company's railway properties, according to the president, Lt.-Col. J. R. Moodie. It seems difficult to secure the required alterations in the conditions under which the systems operate whereby they may be able to realize the value of the services they render the public.

The following summary indicates the year's results, showing how a large sum has been added to the reserve, while the balance has been further increased:

	1922	1921
Gross earnings	$3,830,558	$3,758,947
Expenses	2,810,924	2,846,287
	$1,019,634	$ 912,660
Interest	442,883	446,116
N. Y. Exchange	24,600	59,186
Surplus earn.	$ 552,151	$ 407,357
Bal. forward	1,071,922	940,525
	$1,624,073	$1,347,882
Bad debts	2,966	2,670
Income taxes	7,286	15,613
Dividends	258,837	257,677
Reserve	256,884	
Balance	1,098,090	1,071,922
	$1,624,073	$1,347,882

Nine Years' Record

	Gross Earn.	Net. Earn.
1922	$3,830,558	$1,019,634
1921	3,758,947	912,659
1920	3,803,723	1,031,847
1919	3,477,386	1,189,682
1918	3,204,644	1,160,177
1917	2,967,273	1,233,514
1916	2,693,211	1,233,610
1915	2,359,956	1,001,955
1914	2,395,967	1,005,121

During the year bonds to the amount of $100,000 were issued and bonds to the amount of $224,000 redeemed. The total of the company's reserve and profit and loss account now amounts to $3,616,461.

DULUTH-SUPERIOR

The Duluth-Superior Traction Company reports passenger earnings for the second week of February amounting to $35,836 as compared with $33,966 for the corresponding period in 1922, an increase of $1,869 or 5.5 per cent.

BIDGOOD AT 18 CENTS

Sales of Bidgood stock were made during the week at 18 cents, a very small block being sold at this price. The issue is not listed. This is a low for this attractive speculation. This property is one of much promise. It is located in the Kirkland Lake area and has been the subject of an excellent development program. The management, taking advantage of the experience of the producers of the camp, who found that real values started about the 300-foot level, sank their shaft to that point before they started lateral work. It is believed that another year will see the Bidgood among the producers of Kirkland Lake.

STOCK MOVEMENTS OF THE WEEK

Week Ending February 20

BANKS—	Rate	Ask	Bid	High	Low	Close	Sales
Commerce	12+1	198	197	199	197	199	96
Dominon	12+1	—	200	201.	199¾	201	15
Hamilton	12	—	166	167	166½	167	35
Hochelaga	10	150	—	150	148½	150	8
Imperial	12	185	184	184¾	184⅜	184¾	75
Molsons	12	—	175	176	176	176	33
Montreal	12+2	236	233	235½	230	235	88
National	6	99⅞	—	100	99	99⅞	23
Nova Scotia	16	264	262½	264	262	263	320
Royal	12+2	—	216½	219¼	216	216½	55
Standard	14	—	208	207	207	207	4
Toronto	12	186	—	185	185	185	27
Union	10	140	138½	138½	138	138	36
Industrials, Utilities, Etc.							
Abitibi Pulp and Paper Co.	4	69½	69	71½	68¾	69½	7170
Do., pref.	7	—	100	100	100	100	5
American Salesbook, com.	8	38	37	38	35	38	46
Do., pref.	7	91½	89½	91	91	91	10
Asbestos Corporation, com.	6	69	—	69¾	68¾	69	265
Do., pref.	7	87½	86½	88	86½	88	59
Atlantic Sugar, com.	—	24½	23	25	24	24	525
Do., pref.	—	—	42	45	45	45	40
Barcelona Traction	—	19½	18¾	20⅞	18¾	18¾	5707
Bell Telephone	8	120	119½	120	118½	119½	1202
Brazilian Traction, com.	4	49¼	49	49⅜	44⅝	49	30131
B. C. Fishing	—	20½	—	22	20½	20⅝	105
British Empire Steel, com.	—	10	9	9¾	9¼	9¼	475
Do., 1st pref.	7	70	—	70¼	69	69¾	730
Do., 2nd pref.	—	26¼	26	26¾	25¼	26¼	3051
Brompton Pulp, com.	—	43	42½	43	41	43	8300
Burt, F. N., com.	10	135	132½	134	132	132½	119
Bird & Son, pref.	7	89	88¾	89	89	89	7
Canada Bread, com.	—	—	66¼	66¼	63	66	460
Do., pref.	7	95	—	98	94⅞	94⅞	157
Canada Car and Foundry, com.	—	32	30	32½	31	31½	1045
Do., pref.	—	—	69½	70	68	70	1133
Canada Cement, com.	6	83¼	82½	84¼	82½	83	1433
Do., pref.	7	—	101	102⅛	101	102	457
Canada Steamships, com.	—	19½	18½	19	17	18½	485
Do., pref.	—	50¼	50	50	48½	48½	1255
Canadian Converters	7	98	97⅝	98	97½	97¾	695
Canadian Cottons, com.	8	126½	126⅜	127	124	125½	738
Do., pref.	6	—	90	90	90	90	60
Cuban Can. Sugar, com.	—	11¼	10½	11¼	10	10½	360
Do., pref.	—	44	43¾	44¼	43	43	395
Canadian General Electric, com.	6	84	83	85	83	85	139
Canadian Locomotive, pref.	7	92	91	92½	87	92	118
Canadian Pacific Railway	10	151½	150½	151	149	151	603
Canadian Salt	8	—	100	101	101	101	5
Crow's Nest Pass Coal	6	50	48	48	48	48	15
City Dairy, com.	10	148½	147	148½	148½	148½	15
Do., pref.	7	—	100½	101½	101½	101½	10
Cansumers Gas	10	148½	147	154	151	151½	76
Do., allotment	—	—	—	14	11½	11½	597
Detroit United Railway	6	—	71¾	72¾	70½	71½	1014
Dominion Bridge	4	73	—	74	71½	71½	180
Dominion Canners, com.	—	32¾	31½	33	30	33	732
Do., pref.	7	—	81	81⅝	79½	81⅝	270
Dominion Glass, com.	7	94⅞	—	95	92	93½	716
Dominion Textile, com.	12	67¾	67½	68	66¾	68	2167
Do., pref.	7	—	108¼	108¼	108¼	108¼	65
Dominion Coal, pref.	7	85	—	85¼	83¾	85¼	42
Dominion Iron, pref.	7	75	70	75	74¾	74¾	25
Dominion Steel Corp., pref.	6	—	77	80	77¼	80	117
Duluth Superior	—	31	30	31	30	30	248
Davies, Wm. (A)	—	37	36	36	36	36	10
Goodyear Tire, pref.	7	95	93	93½	88¾	93¼	748
Howard Smith Paper, com.	6	80¾	80½	81	78½	80¼	620
Do., pref.	8	—	103	103	102	103	47
Illinois Traction, pref.	6	85	84	84	84	84	77
King Ed. Hotel	10	52	—	54	53	54	6
Lake of Woods Milling, com.	12	182	180	184	181	192	90
Do., pref.	7	—	113½	113½	113½	113½	5
Laurentide Paper	6	96	95	96	93½	95	2725
Macdonald, A. com.	—	11	—	10	9¾	9¾	105
Mackay, com.	7+10	118	117	119½	116½	118¾	1451
Do., pref.	4	72	71¼	72	71	72	71
Maple Leaf Milling, com.	8	125	122	124	124	124	10
Do., pref.	7	100	99	100	100	100	114
Mexico Trams.	—	30	29	29	29	29	25
Montreal Light, Heat, com.	6	109	108⅞	110	108½	110	2708
Montreal Telegraph	8	52½	—	52	52	52	60
Montreal Trams	10	154	—	154⅞	154	154	83
National Breweries, com.	4	52¾	52½	53¼	52	52	2715
Do., pref.	7	90	—	90	90	90	10
Ogilvie Flour, com.	12	319½	—	315	310½	315	155
Do., pref.	7	115	—	115	115	115	50
Ontario Steel Products, com.	—	40	—	40	40	40	25
Ottawa L. H. and Power	6	92	91	92½	91	91¼	59
Ottawa Traction	4+1	67⅝	67½	67½	66	66	8
Pacific Burt, com.	6	—	93	93	93	93	10
Do., pref.	7	—	101	101	101	101	20
Penmans, com.	8	145	—	146½	144	144	270
Porto Rico Railways, pref.	7	80	78	80	80	80	6
Price Brothers	2	46½	46	46¾	45	46	1270
Provincial Paper, com.	6+1	89¾	—	90	89	89	222
Do., pref.	7	—	96	96½	94	96½	46
Quebec Railway	—	23½	22¾	24¼	22¾	23	785
Riordon Pulp, com.	—	—	5	6	5¼	5¾	290
Rogers William, com.	—	65	58	60	56	59	138
Do., pref.	7	—	93	94	90	94	25
Russell Motor, com.	—	25	20	20	20	20	25
Do., pref.	7	65	62	61	61	61	10
Shawinigan	7	116¾	116½	116¾	115	115	440
Sherwin Williams, pref.	7	100	99⅞	100	98½	100	60
Shredded Wheat, com.	8+1	145	—	147	147	147	5
Do., rights	—	—	—	5½	5½	5½	40
Spanish River Pulp, com.	7	98	96½	99	95½	97¼	3720
Do., pref.	7	106¼	105½	106⅞	104	105⅞	3328
Steel of Canada, com.	7	71¼	70½	71½	68⅝	71	5515
Do., pref.	7	—	99	99½	99	99½	129
St. Lawrence Flour, com.	6	78½	77	78½	77	77	70
St. Maurice Paper	5	100	99½	102½	92	99	1876
Tooke Bros., pref.	—	65	—	65	65	65	25
Toronto Railway	—	84½	84	84¼	82	84	2141
Tuckett Tobacco, com.	4	56	—	55	54½	55	135
Do., pref.	7	—	90	91½	90¾	91	14
Twin City, com.	4	—	60	60½	60	60	383
Wayagamack pulp	—	62	61¼	61¼	59¾	61	320
Western Canada Flour	8	116	111	113	111	111	20
Winnipeg Electric, com.	—	37¼	36	38¼	37	37	751
Do., pref.	7	86½	85	87	84	86	198
Woods Mfg., com.	8	80	78	80	77½	80	16
Do., pref.	7	85	80	81	80	81	34
Canada Landed	10+1	83	81	83	82	82	34
Can. Permanent	12	—	193	193	192	193	28
Col. Investment	6	—	8	8	8	8	10
Tor. Gen. Trusts	12	—	206	206	204	206	14

CANADA LEADING WHEAT EXPORTER

A. M. Smart of Ontario Loan Makes This Point in Presidential Address

Probably no group of men have as clear an understanding of the position of Canadian agriculture as have the loan company officials; so that the expression of confidence in conditions, made by A. M. Smart, president of the Ontario Loan and Debenture Company, at the recent annual meeting of that company is of great importance to all whose welfare depends upon the welfare of the Canadian farmer.

After referring to the increase during the year in the company's assets held in mortgages from $4,430,242 to $4,699,790, Mr. Smart cited the difficulties which Western farmers have experienced as a result of high costs of producing, harvesting and transportation, coupled with low prices. This has been very hard on the farmer, yet the large yield left an exportable margin of 312,000,000 bushels of wheat, giving Canada actual leadership among wheat exporting countries. The marketing of this huge and high-quality crop means work for milling and transportation companies well into the summer of 1923. Proceeds will benefit the farmer and will stimulate all lines of business. Lower costs of production, which will be apparent this year, will, Mr. Smart pointed out, help the farmer greatly.

Referring specifically to the position of the Ontario Loan and Debenture Corporation, Mr. Smart spoke of the seeming nearness of a benefit from the improving position of the pound. With this back to par, the company will be able to bring over what money it now has in the Old Country, and will be able to get much more at a favorable rate. It is worth noting that since Mr. Smart spoke, sterling has advanced several points.

C. R. Somerville, the vice-president, who has recently been in Scotland, told the shareholders of the ability the Scottish investors now have to buy the debentures of a company in which they have confidence. "Notwithstanding the burden of taxes they are carrying over there," said Mr. Somerville, "there is a growing amount available for investment."

The drain war income taxes are on companies was indicated by Mr. Somerville when he pointed out that in 1922 this tax, altogether apart from municipal and provincial taxes, amounted to $23,976, or 1.37% on the capital stock. "Were this payment eliminated it would make it easily possible to double the bonus paid."

The balance sheet presented by the manager, T. H. Main, showed earnings for the year of $294,682, which, with the balance forward, left $340,927 available for distribution. This was dealt with as follows: Dividend of 10% on the paid-up capital stock of $1,750,000, or $175,000; bonus of 1% or $17,500; transferred to reserve, $75,000; balance carried forward, $73,427.02 less Dominion government income tax of $23,976.03, or $49,450.99. The reserve of the company, as a result of this year's addition, now stands at $2,425,000, or, as the president pointed out, 140% of the company's paid-up capital.

WESTERN NATURAL GAS

The Canadian Western Natural Gas Light, Heat and Power Company reports earnings for the month of December amounting to $125,990 as compared with $102,218 for the same month in 1921 an increase of $23,772. For the three months ending December the earnings totalled $281,338 compared with $261,274 in the previous year.

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NAVY CUT
CIGARETTES

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" "	100 -	$1.75

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JOHN S. FERGUSON, General Agent

The Saskatchewan Mortgage & Trust Corporation

LIMITED

102 DARKE BLOCK, REGINA, SASK.

President	Vice-President	General Manager	Asst. Manager and Secretary
A. E. WHITMORE	F. N. DARKE	C. V. SMITH	R. A. KIRKWOOD

FINANCIAL STATEMENT, DECEMBER 31, 1922

ASSETS

Capital Account			
First Mortgages on Real Estate and Accrued Interest thereon		$557,290.09	
Agreements for Sale and Accrued Interest thereon		116,414.85	
Loans and Advances to Trust Estates under Administration		193,499.58	
Eleventh Avenue Stores	$55,000.00		
Property acquired through Foreclosure	82,403.69		
			$1,014,477.76
Guaranteed Account			
First Mortgages on Real Estate and Accrued Interest thereon			58,236.76
Estates, Trusts and Agencies			
First Mortgages on Real Estate and Accrued Interest thereon	$12,955.76		
Victory Bonds	28,134.70		
Cash on Hand and in Bank	14,166.47		
	$59,764.23		
Original Assets of Estates under Administration including Real Estate, Mortgages, Debentures, Stocks, Bonds, Etc., at inventory value	1,318,152.16		
			1,377,916.39
			$2,450,630.91

LIABILITIES

Capital Account			
Capital Stock subscribed	$844,050.00		
Less Unpaid	14,622.72		
Fully Paid Capital Stock	829,427.28		
Reserve Account	120,000.00		
		$949,427.28	
Accounts and Mortgages Payable	8,458.42		
Appropriation for Income Tax 1922	5,477.33		
Due on Uncompleted Loans	8,610.09		
		22,545.84	
Profits Pending Realization		23,004.91	
Balance at Cr. of Profit & Loss Account		19,499.73	
			$1,014,477.76
Carried forward			$1,014,477.76
Guaranteed Account			
First Mortgage Certificates and Accrued Interest			58,236.76
Estates, Trusts and Agencies			
First Mortgages Agency Certificates and Accrued Interest	12,955.76		
Trust Funds for Investment and Distribution	46,808.47		
	$59,764.23		
Inventoried value of original Assets of Estates, Agencies, etc.	1,318,152.16		
			1,377,916.39
			$2,450,630.91

REVENUE ACCOUNT

By Bal. brought forward from Dec. 31, 1921	7,571.81		
Less Provincial Corporation Tax 1921	1,174.82		
			$ 6,396.99
Commissions received for administering Estates, Acting as Trustee, Agents, Etc., Interest on Loans, Profits on Guaranteed Funds, Rentals, Etc.		$83,214.49	
Deduct Management Expenses, Salaries, Directors' and Auditors' Fees, Advertising, Rents, T'xes, &c.	17,409.97		
Interest on Trust Funds and Bank Accts.	6,409.58		
		23,819.55	
			59,394.94
Net Revenue			$ 65,791.93
Appropriated as Follows			
Dividend No. 27		$23,786.99	
Interest on Accumulative Stock		1,177.04	
Written off Real Estate		7,801.71	
Contingent Reserve Account		7,500.00	
Fed. Taxes paid for 1922	$ 549.13		
Reserve for income Tax	5,477.33		
		6,026.46	
Balance carried forward		19,499.73	
			65,791.93
			$65,791.93

R. A. KIRKWOOD, Secretary.

We hereby certify that we have made a complete audit of the accounts and examined the securities of the Saskatchewan Mortgage and Trust Corporation, Limited, for the year ended December 31st, 1922, and that the accompanying Statement is a true exhibit of the Corporation's affairs at that date.

GLADWELL, WILSON & COMPANY, Chartered Accountants.

GRAIN GROWERS LOST HEAVILY IN MERCHANDISING

Losses Sustained and Reserves Greatly Reduced

BACK TO OWN FIELD

Co-operators Have Decided That There is Nothing to be Made in Such Lines as Implements and Lumber

The venture of the United Grain Growers into the machinery and supplies business was again responsible for a heavy loss last year. In entering this phase of highly specialized business the shareholders were informed that it would bring about lower prices for the various machines required in farming operations and in many other lines of supplies as well. Warehouses were built by the Company in Calgary, Winnipeg, Edmonton, Saskatoon and Regina. The directors have now come to the conclusion that as far as machinery is concerned and several other lines of farm supplies it is not practicable to carry this along on a mail order cash business.

In view of the whole experience the board, after careful survey of the situation, has decided to close out the handling of farm machinery and the prices and values of existing stocks have been reduced to a point where it is believed they can be cleared without further loss.

As regards the United Grain Growers Sawmills, Ltd., the directors admit quite frankly that it would undoubtedly have been much better if the Company had not gone ahead with this enterprise six years ago when the construction of a mill was undertaken. The report continues:

The cost of machinery and materials at the time we built had increased very greatly indeed, with the result that the expenditure on the whole plant, due to these conditions, was away in excess of our estimates. The expense of operation also during the first years was very heavy. To this must be added some mistakes made, due to our inexperience. After giving careful consideration to the whole question of this asset, the directors decided that it was an opportune time now to recognize these facts, and accordingly a provision has been made from the reserves, writing down the asset value of the enterprise. The loss for the past year, due to the decreased prices received from the lumber sold in comparison to the cost of manufacture, together with the unavoidable overhead expense that has to be met, even when the mill is shut down altogether, has amounted to $78,352.79.

A Dangerous Field

In view of these experiences the report concludes "And while requests are still being received that the Company branch out in various lines of business such as flour mills, packing plants, canneries, etc., the directors believe most emphatically that this is not the time for the development of any new enterprises."

The profit and loss account shows earnings of $2,427,293 as compared with $3,778,678 in the previous year. Expenses amounted to $1,904,441 compared with $2,403,133 and in addition there were fixed charges of $641,202 consisting of depreciation, insurance, taxes, elevator rentals, interest on exchange, bad debts written off, etc.; this compared with fixed charges of $1,103,800 in the previous report. Thus the year resulted in a loss of $118,350 compared with a profit of $233,743 in the previous report.

The directors point out that the statement of the parent company does not take into account operations of subsidiaries. Reference is made to the provision the previous year of $100,000 by way of a contingency reserve which the directors state has been applied to caring for part of the depreciation in value in twine, machinery and other supplies. The profit and loss balance of the previous year amounted to $97,157 in addition to which there was a general reserve of $1,765,000. The inventory of the machinery and supplies was written down $153,218 and $200,000 was appropriated for writing down the United Grain Growers Sawmills, Ltd.

The balance sheet shows a reserve at the end of the year of $1,200,000 compared with the $1,765,000 in the previous report. The reserve of $100,000 for contingencies has disappeared and the profit and loss balance carried forward has been reduced from $108,125 to $16,113.

HAD SATISFACTORY YEAR

Pres. Parsons, of British American Oil, Reviews Year's Work

The British American Oil Co. had quite a satisfactory year in 1922, according to the statement by Pres. S. R. Parsons, at the annual meeting. The refinery operated practically at full capacity throughout the year. In Ontario and Quebec sales were good despite the fact that some industries using the company's products were somewhat curtailed in operations. All the prairie branches did not experience the expected demand owing to crop failures in some sections, while the use of tractors was not as general as it would have been had the farmer's return for his crop been greater. Despite these facts, however, the west contributed its increase to the general improvement in the company's business over 1921. The company has no bonded nor bank indebtedness, the paid-up capital of the company being $5,500,000 along with a substantial surplus. Regular quarterly dividends had been maintained at the rate of 8 per cent. per annum, and a special bonus of 2 per cent. at the end of the year.

Wrote Off Securities Rather Than Dividend

Although net profits for the year were more than doubled, the directors of the Capital Trust Company decided against a dividend distribution and appropriated $35,000 for depreciation in securities.

	1922	1921	1920
Net profits	$41,344	$20,209	$27,256
Bal forward	37,897	54,530	56,802
	$79,241	$74,739	$84,058
Dividend		21,842	19,528
Reserves	10,000	15,000	10,000
Written off	35,000		
Balance	34,241	37,897	54,530
	$79,241	$74,739	$84,058

Increases of about $300,000 in public savings accounts and about $700,000 in mortgage loans are shown in the balance sheet, which shows assets increased from $4,814,000 to $5,610,000.

LAURENTIDE POWER NET PROFITS UP; JUMPED $100,000

Gross Revenue Increased and Expenses Declined During Year

From Our Own Correspondent.

MONTREAL.—Justification for the increase of the dividend rate of Laurentide Power Company is found in the annual statement for the year ended December 31 last. Profits of the company which have been steadily climbing showed an increase of an even $100,000 during the year and approached a figure of $670,806 after all charges. Of this, $525,000 was disbursed in dividends. Earnings for the year figure out at 6.38 per cent. on the stock as against 5.43% in the previous year; 4.1% in 1920 and 2.7% in 1919. President J. E. Aldred gives the present capacity of the plant as 165,000 h.p., the final unit under construction having been brought into use during the year. The company has now a standby unit. The report, however, covers a contract sale of 117,500 h.p. for the first half of the year and 125,000 h.p. for the second half.

Profit and loss account for the past three years has compared as follows:

Comparison of Earnings and Appropriations

	1922	1921	1920
	$	$	$
Revenue	1,333,642	1,228,186	1,033,176
Misc. do	15,388	9,375	7,711
Total	1,349,030	1,237,561	1,040,887
Expenses	199,367	200,541	174,094
Net.	1,149,663	1,037,020	866,793
Bond int.	474,400	425,735	375,000
Exchange	4,457	40,544	59,537
Profits	670,806	570,741	432,256
Dividends	525,000	420,000	420,000
Balance	145,806	150,741	12,256
Taxes.	....	27,555	8,718
Balance	145,806	123,186	3,538
Sink. fund	89,200	85,000	....
Balance	56,606	38,186	3,538
Sale V. bonds	....	4,868	....
Balance	56,606	33,318	3,538
Reserve	....	20,000	20,000
Surplus	56,606	13,318	*16,462
Previous	†12,632	3,343	19,806
Present	§69,238	16,661	3,344

* Deficit.
† After adjustments.
§ Subject to income taxes awaiting adjustment.

The balance sheet shows some improvement in position, a substantial addition to reserve being noted. Three years' comparisons are given:

Assets

	1922	1921	1920
	$	$	$
Property	19,878,036	19,604,045	18,886,435
Equipt.	70,385	67,618	59,144
Invest.	......	......	100,000
Acc. rec.	177,541	364,804	59,843
Sink. fd.	338,610	236,782	153,803
Cash	186,121	261,097	......
Acc. int.	......	......	916
P. P. Chgs.	3,947	6,999	12,541
Total	20,654,640	20,541,345	19,272,682

Liabilities

	1922	1921	1920
	$	$	$
Capital	10,500,000	10,500,000	10,500,000
Bonds	8,820,000	8,920,000	7,500,000
Acc. pay.	426,792	467,904	530,189
Reserve	738,610	636,782	523,803
Overdraft	......	......	215,348
P. & L.	69,238	16,659	3,342
Total	20,654,640	20,541,345	19,272,682

New Brunswick Had Many Tourists in 1922

During the summer of 1922 the Province of New Brunswick welcomed a greater host of tourist travellers than it had experienced since the days before the war. By the 1st of October it was estimated that more than thirty thousand tourists passed through the city of St. John alone by boat, train and motor, and up to that time more than five thousand automobiles from foreign points had registered at this first New Brunswick city. The year 1922 marked the resumption of holiday traffic on a scale more akin to the annual pilgrimage before the outbreak of the war and 1923 is expected to exceed this substantially and set up a new record for the Maritime Province.

Cost Near $10,000,000 to Electrify T. and N.O. Ry.

The plans presented to the Ontario government by the T. and N. O. commission for the electrification of the railway call for the electrification of 292.3 miles at a cost of $9,017,321. It is noted that in a recent return to the legislature it was stated that the railway in 1920 used 100,000 tons of coal, 1921, 120,000 and 1922, 60,000 tons.

MACKAY DIVIDENDS $18,439,248 IN 1922

Payment of 10% Bonus More Than Doubled 1921 Payment

Rumors that a further division of profits for Mackay shareholders was on tap have been given the quietus. Pres. Clarence Mackay told the company's annual meeting that the trustees were not considering such a move for the present. That 1922 was a good year, the president stated, especially for the land line subsidiary and postal telegraph, but, as usual, the shareholders were not enlightened by the presentation of a statement. The land line earnings were the largest in history, but the ocean cables were not so satisfactory, as in the early part of the year the business depresssion showed its effect. Mr. Mackay pointed out that in declaring the extra 10 per cent. dividend recently the trustees had endeavored to make up to the common shareholders some of the income which, under other circumstances, they would have received in the past years. Mr. Mackay touched upon the advance in the radio art and pointed out that the company's engineers had followed closely developments in this field. Gross receipts from long distance phone traffic increased 30 per cent. and the prospects are described as very promising, especially as this long distance telephone service is conducted over wires simultaneously carrying telegraph business and is therefore a by-product. Referring to contracts closed some time ago with the German-Atlantic Cable Co., he said that no move had been made to lay cables as yet because the entire year had been consumed in negotiating landing licenses with the United States, Portuguese and French governments. The suits brought by the United States government against the company to recover $2,400,000 of the Postal Telegraph system during the period of Federal control was dismissed in April last. The profit and loss account showed income from investments in other companies of $8,623,181 as compared with $4,309,252. From this sum was deducted operating expenses to the amount of $164,271. To the balance of $8,458,909 was added the surplus from the previous year's account of $2,093,767. After dividends amounting to $8,439,248, as compared with $4,180,340 in the previous year, there was a surplus of $2,113,428. Investments are carried at $93,304,84[illegible] and cash at $188,986. President Mackay again refers to the company's policy of taking from its subsidiary companies only sufficient funds to pay its dividends, all surplus earnings being left in the treasuries of these companies for extensions and the development of the business and the increase of reserves. The increase of the rate on the common from 6 to 7 per cent. and the declaration of an extra cash dividend of 10 per cent. explains the increase in dividend disbursement in profit and loss account.

STERLING TRUSTS TO RESUME DIVIDENDS

Assurance on This Point Given by President in Annual Report

A marked recovery in profits is shown in the annual report of the Sterling Trusts Corporation as the result of increased business in all departments. President W. H. Wardrope states that the dividend will be resumed during the present year:

Profit and Loss

	1922	1921	1920
Net earnings	$31,452	$11,736	$34,410
Profit on shares	3,897	....	....
Bal. forward	30,344	*18,608	8,279
	$65,693	$30,344	$42,689
Appropriation	....	....	21,369
Reserve	50,000	....	....
Balance	15,693	30,344	21,320
	$65,693	$30,344	$42,689

* Less adjustment in respect of income tax, 1919.

Seven Years' Record

	Capital Account	Guar. Trust Account	Estates Trusts Agencies
1922	$597,112	$373,831	$3,393,788
1921	547,312	532,405	2,474,169
1920	530,881	588,652	3,066,290
1919	574,859	587,307	7,070,068
1918	598,108	563,641	10,896,204
1917	519,603	603,520	3,491,822
1916	463,329	481,642	2,927,325

Assets increased from $3,553,887 to $4,364,733. The decline in the guaranteed trust account is accounted for by $156,000 receivable on realization of Land Corporation of Ontario assets.

Brazil's Changes in Tariff Are Important

Brazil has put a new tariff into force. This has a double interest to Canadians. It will have considerable effect on Canadian exports to Brazil, inasmuch as the tendency of the new tariff is upward. The hoped-for result by Brazilians is a greatly increased revenue, which would help the exchange situation and mean considerable to Canadian investments in Brazil. The most general change in the tariff is the horizontal increase in all import duties, following the change in the method of payment of the duties, from 55 per cent. gold and 45 per cent. paper, to 60 and 40 per cent. respectively.

An important general provision is the authorization granted the President to modify the basic duties within certain limits: He may advance the import duties up to 20 per cent. when deemed desirable to protect domestic industries; or may reduce the duties on one or more products within a limit of 20 per cent., excepting flour, which may enjoy a 30 per cent. abatement, in compensation for concessions made to Brazilian products, especially rubber and tobacco.

TWELFTH ANNUAL REPORT
OF THE DIRECTORS OF
THE CANADA NATIONAL FIRE INSURANCE COMPANY

To the Shareholders:

Your Directors beg to submit for your consideration their Twelfth Annual Report, also the Statement of Assets and Liabilities and Revenue and Expenditure Accounts for the year ending December 31st, 1922, duly certified by the Auditors of the Company.

It is with a feeling of much gratification that your Directors report material progress made during the past year. This is all the more noteworthy and encouraging when it is a matter of fact that the year 1922 will go on record as one of the most unfavorable years in the history of Canadian fire insurance.

As the year 1921 came to a close, it was earnestly hoped that the new year would witness a decided improvement in general conditions as the year advanced, and that Fire Companies would experience a greater measure of prosperity than they had enjoyed in the previous year. Unfortunately for the Insurance Companies as a whole, however, the results fell considerably short of their expectations, the returns, available at this date, revealing much greater losses than were sustained in the preceding years, even with an appreciable decrease in the volume of business written and its resulting loss in premium income.

While attention has been drawn and prominence given to the revival in building operations throughout the Dominion, during the last two or three years, following a period of inactivity during the war, it should be borne in mind that these operations in Canada are relatively small compared with the period of say, ten years preceding the war.

To a Fire Insurance Company, building activity means much new business, so that the comparatively quiet years in the building lines, which have been experienced of late, have made it somewhat difficult for the Companies to show an increase in the amount of business written. Then again, with the deflation in values which has taken place during the past two years, combined with the fact that merchants have, on the whole, been carrying smaller quantities of goods, there has been a corresponding falling off in the demand for fire insurance protection.

While certain portions of Canada, due to various causes, have been considerably active, yet the Dominion, as a whole, along with our financial and business houses, have adversely felt the effects of quiet times.

It is generally conceded that, in a time of business depression, what is known as the "fire hazard" is relatively greater than in normal or prosperous times. Consequently, the moral hazard or risk is an important consideration for the fire underwriter, and the success in the underwriting department depends in a large measure upon his care and discretion in avoiding and eliminating as far as possible undesirable risks.

In reviewing the Company's operations for the past year, it would be well, therefore, to keep prominently in mind the above facts.

The total volume of business written by the Company in 1922 was $27,474,986. Your Directors are confident that, with further extension of the Company's operations from year to year, the business written will show substantial gains.

The gross premium income for the year reached the splendid total of $727,862.07, showing a large excess over that of any previous year. Re-insurance premiums amounted to $106,960.08. Gross insurance in force at the close of the year was $40,798,265.00, while the premiums on this business amounted to $536,331.99. Re-insurance in force at Dec. 31st last aggregated $11,044,322.00, the premiums thereon amounting to $138,945.14. Net insurance in force at the same period reached the satisfactory total of $29,753,943.00, a gain of $1,548,618.00 over the previous year.

It is the aim and ambition of a fire underwriter to keep the fire loss-ratio as low as possible. This is in itself a very commendable policy to pursue, but there are times when, in spite of all the usual precautions and even extra measures taken to minimize the fire losses, there arise situations over which he or the Company have little or no control.

The extraordinary period, with its feeling of unrest and business uncertainty, accompanied by an unusual amount of apathy and carelessness, through which this country and other lands have been passing, have contributed in no small degree to the abnormally large fire waste, which has taken its huge toll of life and property.

Having regard to existing conditions, it will evince little surprise when it is stated that while the aggregate fire premiums for all Companies operating in Canada in 1922 will be probably five per cent. less than in 1921, the total fire losses will show an increase of about $14,000,000.00, and the average fire loss-ratio for these Companies will reach the high estimated percentage of from 70 to 75, as compared with a loss-ratio of 59.51 per cent. in 1921 and 45.21 per cent. in 1920. It is a matter of congratulation that the loss-ratio last year of this Company, covering all its fields of operation, amounted to only 33.96 per cent.

Reference was made in the last Annual Report to the fact that the Company had extended its business to the British Isles, and that the Directors hoped for good results from that field. In this connection, it is very pleasing to report that their expectations have been fully realized. The business secured to date from this source has been very profitable and satisfactory. Your Directors have reason to believe that this will show a substantial growth from year to year and will prove a valuable source of revenue to the Company.

On referring to the Financial Statement it will be observed that one of the chief Assets of the Company consists of Mortgages amounting to $1,559,461.71. First Mortgages on carefully selected property have always been regarded as a very good security, and it is worthy of note that in a year of money stringency, such as 1922, the payments of interest and principal were well met and compared favorably with preceding years.

The item "Stocks and Bonds" shows an increase of $44,926.24, and amounted to $290,255.51, while Cash Reserves were $189,103.58, making total liquid assets of $479,359.09. It will thus be seen at a glance that the Directors have adhered to their policy of keeping the Company in a strong financial position.

The returns from the Company's Agents in the various fields were very satisfactory, and, considering the general stringency in money matters this feature of the business is worthy of favorable comment.

The total Assets of the Company amounted to $2,928,337.62, an increase for the year of $135,675.62.

Paid-up Capital increased by $13,285.09 and stood at $1,886,130.61.

Government Reserve for Unearned Premiums amounted to $327,823.62, showing a large increase over the previous year, due to the substantial gain in premium income.

Re-insurance premiums (held as Reserve on Deposit), with reference to the business with Foreign Treaty Companies, amounted to $60,192.71.

Profits from Mortgages, Stocks, Bonds and other sources, totalled $125,121.74, and net Fire Premiums, after deducting cancellations, rebates and re-insurance, amounted to the large total of $20,901.99.

The total Net Revenue of the Company for the year was $746,023.73, the largest amount in the history of the Company.

After providing for all management expenses, fire losses, taxes, interest and sundry other charges, and writing off $3,587.83 for Depreciation in furniture, fixtures, maps, plans, etc., Net Profits of $303,825.10 remained, which were distributed as follows:

Carried to Government Reserve, $160,546.47; a Dividend of Six per cent. for the year, $113,077.12, leaving Surplus Profits of $30,301.51, which were transferred to the Reserve or Net Surplus to Shareholders, bringing that fund up to the substantial total of $399,572.14. The Contingent Fund of $100,000.00, when added to this amount, makes a total of $499,572.14, or, in other words, 26.49 per cent. of the Paid-up Capital.

Net Surplus to Policyholders was increased by $43,486.60, that account now reaching the large sum of $2,285,702.75.

The figures which have been presented to you today in this, the Twelfth Annual Report of the Directors, indicate the strong position to which this Company has attained in the short period of twelve years.

Each year has witnessed a gradual improvement in the Company's business, a substantial sum being carried to the Reserve annually, with the result that at this early period in its history, which is indeed but a brief period when compared with the life of many of the long established Companies, the Company offers absolute security to its policyholders, which is an all-important feature in the fire insurance business.

Every precaution has been taken in the Underwriting Department to safeguard the Company, and this policy will be strictly adhered to. In the matter of investments, the Company has avoided anything of a speculative nature, having invested its funds in securities of a high order.

While business inactivity and unrest so much in evidence during the past two years have had a depressing influence on business generally, it is felt that a change for the better will be realized this year and your Directors are therefore confident that the Company will be able to show continued progress and in all probability make even more substantial gains in the present and coming years than it has accomplished in former years.

Your Directors again wish to record their warm appreciation of the active support and co-operation of the Shareholders during the past year. It is very encouraging indeed to the Directors and Management to see the wholehearted manner in which the Shareholders have patronized their own Company and they trust that this good feeling will continue and that the Company may be accorded the same liberal support in the years to come as it has received in the past.

Your Directors also desire to refer to the loyalty and co-operation of the general staff and agency force of the Company, as they fully realize that much of the Company's success depends on this progressive spirit among the staff and agents, and they wish to express their cordial thanks to all the members of the staff, agency force and inspectors for the splendid services rendered the Company during the past year.

With a renewal of good-will and co-operation on the part of the Shareholders, Officers and Staff, your Directors cannot help but hope for and expect another successful year.

J. H. G. RUSSELL, President.

Winnipeg, February 14th, 1923.

At a subsequent meeting of the newly-elected Board of Directors, J. H. G. Russell was elected President; W. J. Boyd and F. H. Alexander, Vice-Presidents; and W. T. Alexander, Managing-Director.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Financial Statement, 31st December, 1922

ASSETS

Mortgage Loans on Real Estate and Accrued Interest ...		$1,559,461.71
Stocks and Bonds (at cost) and Accrued Interest		290,255.51
Real Estate. Head Office Property	$ 164,796.98	
Real Estate. Other than Head Office Property	491,254.98	
		656,051.96
Office Furniture and Fixtures, Maps and Plans, Less Depreciation		14,209.26
Accounts Receivable		5,147.64
Balances retained by Foreign Companies		157,654.56
Agents' Balances		56,453.40
Cash on Hand and on Deposit		189,103.58
		$2,928,337.62

LIABILITIES

Government Reserve for Unearned Premiums		$ 327,823.62
Losses Unpaid (in course of Adjustment)		21,621.00
Accounts Payable		19,920.42
Re-insurance Premiums (held as Reserve on Deposit)..		60,192.71
Dividend for Year Ending 31st December, 1922		113,077.12
Contingent Reserve Fund		100,000.00
Capital Stock Subscribed—$2,050,400.00		
Paid Up	$1,886,130.61	
Net Surplus	399,572.14	
SURPLUS TO POLICY HOLDERS		2,285,702.75
		$2,928,337.62

REVENUE

Balance Brought Forward from 1921		$ 536,647.78
Profits from Mortgages, Stocks and Other Sources		125,121.74
Fire Insurance Premiums for 1922	$ 727,862.07	
Less Re-insurance thereon	106,960.08	
		620,901.99
		$1,282,671.51

EXPENDITURE

General Expenses, Salaries, Commissions, etc.,		
Loan and Investment Department	$ 38,429.60	
Fire Department	188,435.05	
		$ 226,864.65
Losses and Loss Adjustment Expenses	231,130.60	
Less—Re-insurance Recoveries	82,284.45	
		210,846.15
Depreciation written off Furniture and Maps		3,587.83
Bad Debts written off		900.00
Dividend for Year Ending 31st December, 1922		113,077.12
Reserve for Unearned Premiums	$ 327,823.62	
Net Surplus	399,572.14	
		727,395.76
		$1,282,671.51

AUDITORS' CERTIFICATE

TO THE SHAREHOLDERS:—

We beg to report that we have audited the Books and Accounts of The Canada National Fire Insurance Company for the year ending 31st December, 1922, and have found them properly stated and sufficiently vouched. We have verified the Cash on Hand and on Deposit and the Mortgages and other Securities. In our opinion the Balance Sheet presents a correct view of the state of the Company's affairs as at 31st December, 1922, according to the best of our information and the explanations given us, and as shown by the Books of the Company.

(Sgd.) D. A. PENDER, SLASOR & CO.,
Chartered Accountants.

Winnipeg, 10th February, 1923.

Provincial Paper Mills, Limited

ANNUAL MEETING

HELD ON

Wednesday, February 21st, 1923

TO THE SHAREHOLDERS:

Your Directors beg to submit herewith Annual Statement showing financial position of your Company at December 31st, 1922. The accounts have been audited and the statements submitted herewith approved by P. S. Ross and Sons, Chartered Accountants.

Shortly after the last Annual Meeting, your Directors decided to proceed with the erection of paper mill and ground wood mill at Port Arthur. For the purpose of financing these extensions, we sold $400,000 Victory Bonds, shown in the last Statement, also an additional $600,000 of the Company's Bonds, making the total amount of the Company's Bonds outstanding, $1,105,000.

The erection of the new mills at Port Arthur has progressed very favorably. The buildings were completed in October and the installation of equipment is now nearly completed, so that we expect to have them in operation by March first, or very soon thereafter. Both plants should contribute considerably to the Company's financial success.

During the past year, sufficient orders were received to keep the mills running practically full time, but the greater demand was for the lower grades, considerable of which was not very profitable. We considered it wise, however, to retain this business in anticipation of the increased production at Port Arthur, where cheaper grades can be made profitably and to advantage.

At present, we have sufficient orders to keep the mills in full operation for some time, including the mills at Port Arthur.

Submitted on behalf of the Directors by

I. H. WELDON,
President.

Toronto, February 21st, 1923.

STATEMENT, DECEMBER 31st, 1922

ASSETS

Property and Plant:		
Real Estate, Buildings, Equipment, etc.		$6,548,994.07
Current Assets:		
Cash on hand and in Bank	$ 292,358.07	
Bills Receivable	75,776.77	
Accounts Receivable, Less Reserve for Bad Debts	491,988.84	
Government Deposit on Timber Limits	100,000.00	
Investments	70,768.04	
Bond Discount	65,388.70	
Inventory—Stock Supplies, Paper, Prepaid Insurance, Pulpwood, including advances on 1923 Operations	$1,017,244.55	
		2,113,524.97
		$8,662,519.04

LIABILITIES

Capital Stock:		
Common—Authorized	$7,600,000.00	
Less Unissued	4,100,000.00	
		$3,500,000.00
Preferred—Authorized	$2,400,000.00	
Less Unissued	700,000.00	
		1,700,000.00
Mortgage Debts:		
Bonds, 20 Year 6%, due 1940: Authorized—$3,000,000.00. Issued		$1,105,000.00
Current Liabilities:		
Accounts Payable, including Accrued Wages, and Reserve for Income Tax, payable 1923	$ 662,731.31	
Accrued Dividends unclaimed	908.50	
1¾% Dividend on Preferred, $1,700,000.00, Payable January 2, 1923	29,750.00	
1½% Dividend on Common, $3,500,000.00, Payable January 2, 1923	52,500,00	
1% Bonus on Common, $3,500,000.00, Payable January 2, 1923	35,000.00	
		$ 780,889.81
Other Liabilities:		
Reserve for Depreciation on Building and Plant		$ 743,161.18
Balance, Profit and Loss Account		833,468.05
		$8,662,519.04

INCOME ACCOUNT

For Year Ending December 31st, 1922

Profits for Year		$729,261.09
Interest and Dividends Received		34,699.84
		$763,960.93
Less Interest paid out		55,787.48
		$708,173.45
Less Reserve for Depreciation on Buildings and Plant	$150,000.00	
Less Reserve for Contingencies and Income Tax Payable 1923	70,000.00	
		$220,000.00
		$488,173.45
Less Preferred Dividends, Regular, 7%		119,000.00
		$369,173.45
Less Common Dividend, Regular, 6%	$210,000.00	
Less Common Dividend, Special, 1%	35,000.00	
		$245,000.00
Surplus for Year		$124,173.45
Balance Profit and Loss Account, December 31, 1921	$787,247.90	
Less Business Profits Tax in excess of Reserve	77,953.30	
		$709,294.60
SURPLUS DECEMBER 31, 1922		$833,468.05

In our opinion the above statement of Assets and Liabilities correctly sets forth the position of affairs of the Provincial Paper Mills Limited, on the 31st day of December, 1922, as recorded in the books of accounts. All our requirements as Auditor have been complied with.

(Signed) P. S. ROSS & SONS,
Chartered Accountants.

Toronto, Ont., January 22nd, 1923.

OFFICERS AND BOARD OF DIRECTORS, 1922

I. H. WELDON, President.
T. A. WELDON, Vice-President.

S. F. DUNCAN, Secretary-Treasurer.

Directors: I. H. Weldon, T. A. Weldon, S. F. Duncan, Alex. Fasken, S. B. Monroe, A. B. Connable,, C. A. Peck, C. S. Campbell, Sir Charles Gordon, K.C.B.E.

STATEMENTS SHOW POWER DEMAND IN QUEBEC GROWS

Shawinigan Company Has Market for All Additional Power Developed

EARNINGS INCREASE

Both Gross and Net Earnings Show Increase During Year Though Percentage on Stock Much the Same

From Our Own Correspondent.

MONTREAL. — The growth of hydro-electric development in Quebec continues at a rapid rate and despite the tremendous increase in the developed water powers of the province during the past few years there still is a demand for power beyond the present capacity of the companies in the business. This week in the annual report of the Shawinigan Water and Power Company, the president, J. E. Aldred, pointed out that despite an increase of 47,500 h.p. during the year in the company's developments, there was still need for further development to take care of demands of the near future. These, he said, would be met by the development at Gres Falls of the St. Maurice Company, a subsidiary, recently financed.

Although the 40,000 h.p. unit at Shawinigan Falls was in operation but a small part of the year and its earning power is not fully reflected in the company's statement, the report nevertheless indicates a very favorable growth in earnings, both net and gross.

Net profits were 7.98% on issued stock after all charges as against 7.95% in the previous year and 8.04% per cent. in 1920. The gross and net earnings and all appropriations are set forth in this table covering the past three years:

Profit and Loss Account

	1922	1921
Gross	$4,629,641	$4,224,045
Expenses	1,676,580	1,385,050
Balance	2,953,061	2,838,995
Interest	1,155,778	1,048,182
Balance	1,797,283	1,790.812
Depreciation	200,000	200,000
Net earnings	1,597,283	1,590,812
Dividends	1,400,000	1,400,000
Balance	197,283	190,812
Prev. balance	x145,593	39,593
Total	342,876	230,405
To reserves	75,000	75,000
Surplus	267,876z	155,450z

x After adjustments.
z Subject to deduction for income tax.

The balance sheet shows considerable change, chiefly due to the retirement of $3,985,000 of notes and the issuance of bonds in their place. The changes are indicated here:

BALANCE SHEET

	1922	1921
Assets		
Property	$16,678,821	$15,835,437
Machinery	6,100,227	5,113,582
Lines	6,526,817	6.331,172
Equipment	496,229	532,163
Prepaid charges	85,469	58,186
Investments	13,112,757	13,477,717
Accts. receivable	1,679,926	1,802,300
Call loans	50,000	47,000
Cash	651,258	996,290
Totals	$45,381,508	$44,193,850
Liabilities		
Cap. stock	$20,000,000	$20,000,000
Bonds	19,363,500	14,220,500
Notes	......	3,985,000
Acc. payable	325,246	651,386
Int. and div. pay.	761,470	783,667
Sinking fund, etc.	2,516,479	2,617,993
Deprec., res., etc.	2,101,935	1,740,125
Pension fund	45,000	39,775
Surplus	267,876x	155,406x
Totals	$45,381,508	$44,193,850

x Subject to deduction for inc. tax.

IMPERIAL TRUSTS

Profits of the Imperial Trusts Company for 1922 showed a marked recovery and trust deposit balances maintained a satisfactory average despite the depression:

Profit and Loss

	1922	1921	1920
Net profits	$26,447	$14,687	$22,857
Bal. forward	22,644	20,942	10,417
	$49,091	$35,629	$33,274
Dividends	13,665	12,984	12,332
Balance	35,426	22,645	20,942
	$49,091	$35,629	$33,274

IMPERIAL CANADIAN TRUST

A decline in earnings marked the year of the Imperial Canadian Trust Company but dividends were well taken care of:

Profit and Loss

	1922	1921	1920
Earnings	$56,900	$76,578	$77,013
Taxes	4,559	9,685	12,853
Net profit	$52,341	$66,893	$64,160
Bal. forward	8,149	9,341	
	$60,490	$76,234	$64,160
Dividends	48,866	48,085	46,980
Reserves		20,000	7,838
Balance	11.624	8,149	9,341
	$60,490	$76,234	$64,160

PUBLIC SERVICE CORP.

The annual report of the Public Service Corporation of Quebec showed that the year 1922 was the best that the company has yet had, the balance sheet showing that the assets of the company amounted to $2,414,704, as compared with $2,384,640 in 1921.

CANADIAN CONNECTICUT COTTON

Steps will be taken within the next few weeks to list the shares of Canadian Connecticut Cotton on the Montreal Stock Exchange. The news of proceedings in that connection under way resulted in a sharp advance in the preferred shares on which dividends were recently resumed with 12 per cent. in arrears.

UTILITIES DID WELL

Investment Bankers Say That Earnings Were Satisfactory

Last year was one of improvement for most companies of the utility group in Canada and U. S., according to an Investment Bankers' Association bulletin. Final figures are not available but the bulletin says it is evident that the returns will show a very satisfactory improvement in both gross and net earnings. The electric railway industry continues to show improvement, especially in the number of passengers carried, lower cost of operation, and better operating revenues, all of which is resulting in a gradual but steady improvement of credit.

U.S. PROTESTS WILL NOT LOWER BRITISH PRICES ON RUBBER

Day for Presenting to U.S. at Loss is Gone Forever

United States interests are carrying on a tremendous propaganda of late in regard to the British hold on the rubber industry. The statement has gone out that Britain had a strangle hold on it and the result has been that Washington has been stirred considerably. This has created no little uneasiness in the minds of many investors in rubber stocks, and, seemingly, the recent rise in the price of rubber has served to convince them that there might be something in the U. S. progaganda.

"It is time for plain speaking then," says James Davenport, of General Investors and Trustees, London, England, who makes the point that so long as the British rubber owners presented their product to the U. S. rubber companies all was well and good, but as soon as they made an effort to secure some sort of a return on the £100,000,000 they had invested, the propaganda started.

It is pointed out that the difference in the price made by the British owners was one penny per pound and this represented the difference between a loss to the producers and a profit of £38,250,000. In other words, the last figures represent the present which the British rubber owners have been making annually to the American consumers. It might be pointed out that as a result of the increase the price of rubber in Canada moved up from 14 and 16 cents to around 30 cents.

Mr. Davenport says in regard the increase:

"The price has risen from 7d (a figure which was below the cost of production) to the more reasonable, but, as many of us contend, the still insufficient price of 1s. 6d. The industry has been saved, the investor who has built it up and made it what it is—a great imperial asset—may now justifiably hope to see some of the fruits of his enterprise. And now comes the squeal of the American manufacturer! Well, we did not squeal when the American manufacturer was buying our rubber from us below the cost of production, and I am afraid we shall not listen with very kindly ears to his anguished call to-day.

"Three of the most trusted and representative members of the council of the Rubber Growers' Association are now in America at the invitation of the American Manufacturers' Association. They are there to hear what the American manufacturers have to say, and I have no doubt on their return they will report faithfully and fully to their colleagues.

"If the American manufacturers are afraid that the price of rubber will be unduly inflated let them come along with a project for the purchase of their estimated requirements for the next few years at a price which, while fair to them, will give a reasonable and proper return to the rubber investor for the risks he has run. I think they may be assured that some such proposal would receive careful and even sympathetic consideration. But, anyway, let them realize that the days when they could acquire rubber below the cost of production have gone forever."

MARITIME PHONE ISSUE

Johnston and Ward, Montreal, are offering 3,000 shares of Maritime Telegraph and Telephone Company common stock, par value $10, at $8 per share, with dividend of 6 per cent. to yield 7½ per cent. The company owns or controls through subsidiary companies, and operates without competition. the telephone business in the province of Nova Scotia and Prince Edward Island. Dividends on the stock at the rate of 6 per cent. were inaugurated in 1913 and were continued without interruption throughout the war and reconstruction period. Total assets of the company have increased from $3,400,000 in 1912 to over $7,000,000 in 1922. The Bell Telephone Company of Canada owns a large interest in this company.

The Security Life Insurance Company of Canada

STEADY PROGRESS

The report of The Security Life Insurance Company of Canada for the year 1922 indicates substantial growth, as evidenced by the following summary:—

	1918	1920	1922
Insurance in Force	$1,656,487.00	$4,513,132.00	$6,410,826.00
Cash Premium Income	46,477.27	112,648.46	164,474.55
Cash Interest and Rents Income	5,152.90	11,710.31	22,634.34
Net Death Losses	29,550.00	13,492.01	18,375.13
Policy Reserves	106,251.00	222,329.00	401,901.00
Gross Assets	156,661.90	300,014.85	509,016.89

The "All Guaranteed Policies" issued by the Company continue to meet with popular approval.

There cannot be vexation, misunderstanding or disappointment as to the results under an "All Guaranteed Policy," because every value as at death, surrender or maturity is definitely guaranteed in the Policy when issued.

The "Young People's Savings Bonds" issued in denominations of $100 each to persons from 1 to 30 years of age, are a unique and attractive combination of Insurance and Savings. The Company guarantees to redeem these Bonds at the end of Twenty Years for Twenty-five per cent. more than the premiums actually paid.

All forms of life and endowment insurance issued at favorable premiums.

The Company desires to increase its new business during 1923, and has some good openings for district agencies.

The complete Annual Report and full information as to agencies will be sent on application.

J. O. McCARTHY,
Vice-President.

SIR HENRY M. PELLATT,
President.

SALIENT FEATURES 1922 REPORT

SINKING FUND TRUSTEES

CITY OF WINNIPEG

Total Assets		$14,553,496.41
Increase over 1921		1,393,050.41
Gross Earnings for the year	$863,628.17	
Interest requirements	513,661.56	
Excess Earnings over requirements for the year		349,966.61
Surplus Account, January 1, 1922		79,287.59
		$ 429,254.20
Appropriated as follows:		
Total administration and general expenses	$ 17,544.40	
Writing off all premiums on investments acquired during the year	32,357.47	
Transferred to investment Reserve (which now stands at $450,000)	50,000.00	
Appropriation to Pension Fund to reduce City's liability	100,000.00	
To provide for the retirement before maturity of stock issued covering cost of general improvements	149,653.65	
		349,555.52
Surplus carried forward		$ 79,698.68
Average Interest Rate		6.08%
Liquid Securities of the highest grade held by Trustees for every $1,000 of bonded indebtedness		290.11
Par Value of Securities greater than that taken in on Balance Sheet by		1,200,000.00
Gross Debt of City at December 31, 1922		50,167,770.84

Trustees:
E. F. HUTCHINGS, Chairman.
W. H. CROSS.
F. H. DAVIDSON (Alderman).
H. C. THOMPSON (City Treasurer), Secretary.

Paid Up Capital $2,500,000

Canadian Bank Note Company, Limited

Successor to

American Bank Note Co. of Canada

Engravers and Printers

Bank Notes and Cheques
Corporation Bonds
Stock Certificates
Municipal Debentures
and other Monetary Documents

Head Office and Works: OTTAWA

BRANCHES:

Montreal Toronto

Building Sites

On and near Yonge St., with large trees and fine views, one minute's walk from the City Car Line. Restricted. $30 per foot up.

H. R. DOUGLAS

Adel. 5070 and Bell. 69M.
Mail Building.

8% Cumulative Redeemable Preferred Shares

Dominion Combing Mills
LIMITED

Write for particulars

Dominion Development Corporation Limited

805-813 C.P.R. Building
TORONTO

134 Jackson Bldg., Ottawa, Ont.
1004 Transportation Bldg., Montreal, Que.

Gibson's Fortnightly Mining Review

will help to keep you in touch with Northern Ontario mine developments.

The current issue contains information of interest concerning

Dome Mines
Hollinger Cons.
Teck-Hughes
Wright-Hargreaves
McIntyre

If your name is not now on our Mailing List, write for a copy to-day. Free for the asking.

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AND COMPANY
Bank of Hamilton Bldg.
TORONTO

We own and offer

8% Convertible Debentures

MOUNT ROYAL HOTEL
COMPANY, LIMITED

Denominations:
$100, $500, $1,000.

Partial Payment Plan, if desired. Interest payable in New York and Montreal.

Price on application

CREDIT-CANADA
LIMITEE
145 St. James St., Montreal
HON. H. B. RAINVILLE, President.

DOMINION BANK BLDG.

KING AND YONGE STREETS

Eight hundred and eighty (880) square feet divided into four offices. Will lease for seventeen (17) months. Good linoleum—will be decorated. For rent and terms. Apply GARRETT, Adelaide 7243.

In pointing out the number of small holders of shares in Canadian banks last week, it was mentioned that in the case of one bank 277 estates owned 1,337 shares. This should have read 13,037 shares.

DURANT SALES

Heavy selling of Durant Motors at New York caused quite a flurry in Canadian holdings of this stock during the forepart of the week with the result that there was a perceptible weakness in price, the stock selling in unlisted security circles as low as 9½. It was difficult to get quotations on this issue because the market was irregular, but there was an actual transaction at the above price which is thought to have been the low. Later the market showed some strength.

MONEY, BANKING AND EXCHANGE

THE PROVINCIAL TAXATION LEVIED AGAINST BANKS

How Private Institutions Help to Meet Public Expense

The taxation of corporations and companies by the provinces has received the special study of the Citizens' Research Institute of Canada. Although the corporation tax was at first levied only on the large corporations such as banks, insurance companies and railways, its application has been broadened until in some provinces it now includes all incorporated companies. No one principle is followed by all the provinces in levying the corporation tax nor, with the exception of British Columbia, does any one province appear to apply one general principle in its taxation of all corporations. Following are details of the taxes in the various provinces as applied to banks:

PRINCE EDWARD ISLAND—Tax of 1-10 of 1% on the average volume of business done within the province, with a minimum tax of $1,333. Where the volume of business exceeds $2,500,000, this rate is decreased to 1-30 of 1%, with a minimum tax of $2,500.

NOVA SCOTIA, 1-10 of 1% on the paid up capital of the bank employed in Nova Scotia, which for this purpose is held to be 1-20 of the total paid up capital—undivided profits, etc., of the bank.

In addition the following taxes are levied:

1. If the capital is over $500,000 and there is an office in Halifax, the tax is $3,000, with an additional $150 for each other office in Halifax and $500 for each branch office elsewhere up to and not exceeding 5 in number; on all over 5 and up to and including 10, $300 on each in excess of the 5th; on all over and above the 15th, $800 each.

2. If the capital is $500,000 or upwards and there is no office in Halifax, the tax is $1,500, with $250 for each office in the Province up to and not exceeding 10 in number.

3. If the capital is less than $500,000 the tax is $800, with $150 for each office within the Province.

NEW BRUNSWICK:—The tax is 1-30 of 1% on the average monthly volume of business done within the Province.

Note: Business done for the Provincial Government is exempt.

QUEBEC: The tax is 1-10 of 1% on the paid up capital.

In addition:
For each head or chief office in Montreal or Quebec $200
For each other office in Montreal or Quebec $150
For each other office in any other place. $ 30

ONTARIO: The tax is 1-5 of 1% on the paid up capital and 1-10 of 1% on the reserve fund and undivided profits.

In addition:
For the principal office of the bank in Ontario $3,000
For each additional branch in Ontario. $ 100

MANITOBA:
For the principal office in the Province $2,400
For all other branches in the city or town where Pr. Of. is located ea... $ 100
For all other branches in the Province up to and not exceeding 4 in number each .... $ 300
For other branches over 4th and up to and including 14th, each........ **$ 200**
For other branches over the 14th each $ 100

Private Bank:
In a village or rural municipality not over 500 population $150
For all other private banks.......... $300
and in addition for each branch...... $ 50
but additional tax is not levied on more than one branch in any one city, town or village.

SASKATCHEWAN:
For the principal office in the Prov... $1,200
For every other branch office in a city $ 300
For every other branch office in a town .... $ 150
For every other branch office....... $ 50

Private Bank:
If head office situate in a village.... $ 100
If head office situate in a village.... $ 100 with an additional $25 for every branch in the Province.

ALBERTA: Taxes being revised.

BRITISH COLUMBIA:
For the principal office in the Prov.. $3,000
For each other branch or agency within the Province .... $ 500
This tax is in lieu of Provincial Income Tax.

St. Catharines Profits On Exchange Deal

The St. Catharines City Council has decided to sell $440,000 of Canadian Victory Loan renewal bonds and purchase a corresponding amount of longer term City of Toronto debentures. The transaction is planned to effect the saving to the city of $19,842 which would lighten the taxation by something more than one mill on the assessment.

In 1918 definite steps were taken to cover sinking fund shortage of $22,577 by means of a 19-year addition to the general tax rate. It is explained, however, that by taking advantage of the sterling exchange situation and the investment of funds in British War Loan bonds the shortage has been so well met that the proceeds from the transfer now authorized will completely wipe it out.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Feb. 15, 1923.	Change	%
Toronto	$ 85,086,767—	$ 1,125,588	1.3
Montreal	76,911,174—	9,195,354	10.7
Hamilton	5,713,568+	1,137,945	24.9
Quebec	3,859,265—	1,040,318	21.2
London	2,359,586—	190,262	7.5
Halifax	2,546,653—	320,079	11.2
St. John	2,501,844+	25,232	1.0
Windsor	2,306,726—	341,749	12.9
Moncton	1,021,772+	180,862	21.5
Brantford	861,492—	132,955	13.4
Kitchener	754,427—	75,224	9.1
Peterboro'	620,811+	10,723	1.8
Kingston	543,048+	15,623	3.0
Sherbrooke	529,211—	254,392	32.5
Total East	$185,615,844—	$11,305,536	5.7
Ottawa	4,888,405		

WESTERN CITIES

	Feb. 15, 1923	Change	%
Winnipeg	$ 33,005,840—	$10,849,982	24.7
Vancouver	13,091,495+	1,003,037	8.3
Calgary	3,578,983—	874,743	19.6
Edmonton	3,251,296—	458,530	12.4
Regina	2,284,515—	317,140	12.2
Victoria	1,525,463—	386,349	20.2
Saskatoon	1,137,974—	196,760	14.7
Moose Jaw	774,153—	144,665	15.8
Ft. William	599,089—	129,292	17.8
N. Westminster	428,457+	4,574	1.1
Lethbridge	373,014—	146,175	28.1
Brandon	356,204—	136,450	27.7
Prince Albert	267,749+	7,318	2.8
Medicine Hat	217,618—	70,194	24.4
Total West	$ 60,891,850—	$12,695,351	17.2
Grand total	$246,507,694—	$24,000,887	8.9
Year to date	$2,025,780,835—	$110,646,360	5.1

Sterling's Recovery Saved $2,000,000,000

That the recovery of the pound sterling from its lowest quotation in terms of the American dollar, during 1922, meant a reduction of £432,500,000 in the British debt to the United States, Walter Leaf, chairman of London County Westminster & Parr's Bank told the general meeting of the shareholders of that bank recently.

EXCHANGE RATES

Sterling Rose Up to a New High Mark During Week

New York funds remained quite steady during the week, commanding a premium around one and a quarter per cent. and closing at one and a half. The feature of the week, however, was the rise in Sterling. This moved up to a new high mark of 4.72¼ at New York but later eased off somewhat. French and Belgium Francs were steady. French funds though somewhat weak earlier in the week firmed materially and moved up splendidly. The same with Italian funds, the gain in Lire over a week ago being six points.

The week's range of prices follows:

NEW YORK FUNDS

Feb. 15—Funds opened at 1¼ per cent. premium and closed at 1 3-16.

Feb. 16—Funds opened unchanged at 1 3-16, touched a low of 1 3-32 and closed at 1 5-32.

Feb. 17—Opening at 1 3-16 premium funds closed at 1¼.

Feb. 19—Opened unchanged at 1¼ per cent. premium and closed at 1 9-32.

Feb. 20—Funds opened at 1 5-16, and advanced to 1 17-32 at the close.

Feb. 21—Opening at 1½ per cent. funds touched a low of 1 7-16, and closed again at 1½.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Feb. 15	4.68½	6.02	4.79½
Feb. 16	4.68¾	5.99½	4.79
Feb. 17	4.69	5.96½	4.78
Feb. 19	4.70⅛	6.06	4.80½
Feb. 20	4.71¼	6.10	4.84
Feb. 21	4.71¾	6.16½	4.85½

ADMINISTRATION ON RURAL LOANS IS CONDEMNED

(Continued from Page 1)

would have the effect of creating a permanent self-sustaining institution with a definite financial policy, maintaining adequate supervision and control over investment of its resources."

The commission says: "We strongly believe that economic interest and public welfare would be better served by the extension of existing banking facilities and that only the failure to secure the active co-operation of the chartered banks would justify the permanent duplication of credit machinery."

Borrowing Too Easy

After the chartered banks withdrew the commission finds that the position of lender was occupied by the provincial government and that supervision at once deteriorated. Audits have not been regular or even annual. Generally speaking, directors, while familiar with their neighbors, are found to have been inexperienced in extension of credit. Societies have become institutions of borrowers rather than lenders. The purpose of the Act as the commissioners see it, is to lend exclusively for productive purposes. Any loan outside of these purposes is an abuse commissioners agree, citing taxes, interest on mortgages or farmers floating liabilities.

"Under administration conditions which have obtained," reads the report, "money was so easy that obligations were assumed without care either on the part of borrower or lender. Over extension of credit that has resulted will take years to clear away."

Total of borrowers is 3,542, (approximately 55,000 farmers in Manitoba), and average loan $846, which the commissioners set for this extremely high in comparison with other institutions working along similar lines.

Further, directors are among the heaviest borrowers, their individual loans averaging $1,643.

Summing up, report says:

Generally speaking ultimate safety of a large proportion of the loans depends upon fortuitous agricultural prosperity. losses from debts in not a few cases cannot be avoided. Reserves of the societies are insufficient in aggregate to absorb manifest losses. Capital fund of the societies will in many cases be seriously impaired.

"The provincial government is in the anomalous position of creditor and shareholder of each society: a degree of risk not contemplated when societies were established.

"Not only is it unfair for public money to be loaned at public expense to a small proportion of the farming population, but false prosperity of easy money created by operation of the societies has fostered reckless spending of public funds in other directions, to say nothing of encouragement given to personal extravagance and increased indebtedness."

OPENS BRANCH IN MEXICO

From Our Own Correspondent.

MONTREAL.—The Bank of Montreal has opened a branch at Puebla, Mexico. Puebla is the industrial centre of Mexico and is situated between Vera Cruz and Mexico City, being five hours distant from the latter.

GOODYEAR PREFERRED

Goodyear Tire preferred has been in demand selling up to 95. The company is working at capacity, the output being materially higher than was counted on. Keen competition for this year's business was expected and is being experienced, and the company is getting a bigger share of this trade than was counted on. It will be some time, however, according to Vice-President C. H. Carlyle, before the arrears on the preferred will be cleared up.

STANDARD BANK REPORTS HIGHER PROFIT FOR YEAR

Earnings Increased Despite Unsettled Business Conditions

Not only did the Standard Bank of Canada maintain earnings in the face of unsettled trade and industrial conditions last year but the annual statement to the end of January shows some increase, with the result that after the payment of dividends and making other usual appropriations the balance of profit and loss was increased by about $58,000. The reserve fund is $5,000,000, being $1,000,000 more than the paid up capital.

	1922	1921	1920
Bal. forward	$112,492	$378,644	$360,537
Profits	728,074	725,014	784,368
Prem. on stock	....	148,499	226,501
	$840,566	1,252,157	1,371,407
Dividends	560,000	555,115	492,720
Pensions	25,000	25,000	25,000
Tax reserves	55,000	20,000	40,000
Reserves	....	200,000	300,000
Tax on circ.	40,000	39,550	35,044
Contingent	....	300,000	....
Premises	....	....	100,000
Balance	160,566	112,492	378,643
	$840,566	1,252,157	1,371,407

NINE YEAR RECORD

Year	Earnings	*Rate Rest	% on Cap.	Div.
1922	$728,074	8.09	18.20	14
1921	725,014	8.05	18.12	14
1920	784,369	9.11	20.63	14
1919	776,310	9.70	22.17	13
1918	697,443	8.71	19.91	13
1917	649,546	8.21	19.08	13
1916	580,230	7.63	17.59	13
1915	563,401	8.04	18.78	13
1914	621,403	9.22	21.28	13

*On capital and rest.

Total assets at $78,719,265, compared with $83,293,005 for the previous year. A moderate reduction in current loans is reported, this item standing at $42,398,817, as compared with $45,069,128 for the previous year. Call and short loans total $3,376,097. An item of call and short loans elsewhere than in Canada, of $700,000, is included in the balance sheet. Deposits, another item in the balance sheet susceptible to external influences, show a moderate decline from $65,120,717 to $62,076,860. Notes in circulation are down by $67,000 and stand at $4,563,320. Reserve fund is unchanged at $5,000,000, and paid-up capital stands at $4,000,000.

Expert Sees Business Peak a Year Hence

E. W. Kemmerer, professor of economics and finance in Princeton University, in an article specially written for the Garfield National Bank, predicts that the crest of the business cycle will probably be reached in the forepart of 1924, possibly the latter part of 1923. He says:

Prices of industrial stocks may be expected, as usual, to anticipate by several months the movements of the cycle. They will probably tend upward during a great part of 1923. During the year 1923, or at least during the greater part of it, we shall be moving toward the crest of the "business cycle wave," but the crest will not be so high nor will the trough be so low as during the last business cycle.

British Empire Steel Earnings Were Lower

British Empire Steel earnings in 1922 fell $100,000 short of meeting bond interest and preferred dividends, without allowing for depreciation. Earnings totalled $2,917,275 as against $4,416,451 in 1921. During the year the corporation settled with the Dominion Government on claims against the Government for cancellation of contracts for ship plates. In the previous report the sum of $2,500,000 was shown to have been paid on these claims, this amount having been shown in the balance sheet among the liabilities, pending final settlement. Last year the corporation accepted a further payment of $1,500,000 as balance of its claims bringing the total to $4,000,000.

This total in the report under review is applied to the profit and loss account, and its application permits of a write-off of over 3½ millions for sinking fund and depreciation purposes, and leaves a balance of over a quarter of a million at credit of profit and loss for the year after all charges and dividends.

The earnings of the Corporation's subsidiaries reflected the decline in business during the year. 1923 should be better. After paying all preferred dividends there remained a credit of $268,273 which, added to the previous balance, gives a total surplus of $1,024,199 as a result of its operations since organization, disregarding the twenty odd millions net surplus of the companies merged on the date of their amalgamation.

Earnings of the Canadian National Railways for the second week of February amounting to $1,751,450, showed a decrease of $74,645.

Traffic receipts of the Grand Trunk Railway for the week ending February 14, totalled $1,907,733 compared with $1,941,096 in 1922, a decrease of $33,363.

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NEWS AND VIEWS FOR MANAGERS

BUSINESS SENSE CASHING CHEQUES FOR STRANGERS

Marked or Unmarked Should be Treated Same

Any estimate of the amount of money lost to the mercantile and trading community in a year through forged cheques would be far short of the actual amount for the simple reason that the majority of the victims do not report them, especially if the amounts are small. For this reason the "piker" class of swindler, the fellow who is content to limit the amount of the cheque to under $20 seems to be able to keep going a long time and often to make a very fair living. This class of crook seldom tries a bank; there the chances are against him. The bank is making no profit in cashing the cheque, and naturally takes no chances. Sometimes a good-looking woman with a pleasant manner manages to make them forget their caution, but the male cheque artist usually prefers to try his luck with the smaller merchants. His ordinary method of operation is to make a purchase and tender in payment a cheque for a larger sum than the amount of the purchase. Sometimes he professes to be willing to leave the cheque, to enable the storekeeper to find out whether it is good or not, promising to call for the change but usually he tries to get the change there and then.

For a time almost anything in the shape of a cheque could be passed in this way, provided, of course, that the story was told in a convincing manner, but now nothing but a marked cheque will do, and the crooks have been forced to supply the demand accordingly. Every cheque forger, therefore, who expects to do well in his chosen profession, must provide himself with an acceptance stamp bearing the name of the branch bank whose cheque he has decided to use. Armed with this, and a supply of cheques lifted from the counter of the branch in question, he is able to satisfy a considerable number of storekeepers who would be suspicious of a plain cheque. Just what there is about a cheque with a rubber stamp accompanied by a hieroglyphic initial, that so many will accept it for goods in perfect faith, it is hard to say, but a total stranger can go into store after store, make a purchase, tender in payment such a cheque, get the goods he wants and real money in change.

From reports in American papers the same thing seems to be common over there. It is not only the small dealers who get caught; sometimes the larger merchants pay toll as well. Not long ago a well dressed woman made a considerable purchase in one of these stores, and professed to be much annoyed when her cheque was questioned. Not wanting to lose a sale the merchant politely explained the reason, and finally with much grumbling the lady left cheque and purchase until it could be ascertained whether the maker had funds. The cheque was accepted on presentation and when the lady called the following day she was so far mollified that she made a larger purchase and again offered a cheque which was willingly taken. This time, however, there were no funds and the merchant was out a considerable amount.

Comparatively few of these crooks are ever prosecuted, and in the majority of cases, where the amount is small, it is doubtful whether the fraud is ever reported. There are several reasons for this. One is that many a man will prefer to take a small loss rather than admit he has been caught. Another is that he grudges the time necessary to lay the complaint, and afterwards attend court as a witness. This reluctance may also come from the dread of a cross-examination by the prisoner's counsel. Others again do not want to feel that they have been responsible for sending to prison some young fellow and possibly ruining his life. This possible result is much played up in what is known in newspaper offices as "sob stuff." Whatever may be the reason the result is that the game is looked on by the crooks as safe and profitable, and, as someone must pay for it all, the expense is probably added to the overhead when the merchant is pricing his goods for sale.

Bank managers by advising their customers to use commonsense methods in dealing with strangers who want cheques cashed should be able to curb the activities of the petty forger. Usually the cheques are presented after the banks are closed and when it is impossible for the merchant to call up his manager, but under these conditions the merchant would be well advised to explain to the purchaser that of course he has no doubt but that the cheque is good but that, as a matter of business, he has adopted the policy of not accepting cheques from people who are unidentified. He could just say that of course the purchaser "knows someone who could identify him" and check the matter up in that way. It will usually be found that nowadays a stranger does not expect a cheque to be cashed without being identified and if the cheque is good it is doubtful if any objection will be made to this attitude on the part of the merchant. Of course if the cheque is not good the merchant may look for a very strenuous and indignant protest. In short if the purchaser objects very strongly to being asked to be identified in presenting a cheque the merchant is perhaps better off without encouraging him as a customer.—J. W. T.

And The Depositor Pays The Salaries

The head of a San Francisco bank emphasizes the importance of service to every new employee. One of his little stunts is to take the employee by the arm and point to the swinging front door.

"See that door?" he will say. "Every time that door opens and a depositor enters, you should feel like shouting for joy. The depositor who enters that door is the boss. When you see him coming in, you're seeing the man who pays for your food, clothing, rent and everything else. Treat him accordingly. If the hinges on the door wear out, we can buy new ones. But if they rust because they are not used enough, you starve to death!"

DODGING STAMP TAX A MATTER OF FORM

There is a Right Way and a Wrong Way of Avoiding The $100 Fine

From Our Own Correspondent.

MONTREAL.—The depositor was opening an account. He filled out the deposit slip, putting in a cheque on another bank for $200 and asking for $25 in cash. This is the way he made out the slip:

Cheque	$200
Less cash	25
Deposit	$175

"That will cost you another two-cent stamp," said the teller. "You are putting in $200 and withdrawing $25. The stamp is for the $25 withdrawal."

"But I am not putting in $200. I am only depositing $175. I——" protested the depositor.

"Doesn't make any difference. It needs a stamp," said the teller. "But this is the way to get around it." He made out a deposit slip for $175, ignoring the amount of the cheque and the amount in cash.

The depositor also put in a cheque on his former bank for balance of account and interest. "You can't make me put a stamp on that cheque," he remarked. "I am merely transferring an account from one bank to another."

But the teller demurred. "As you have written it: 'pay to the order of, etc.,' it's a cheque and needs a stamp. Now if you would do it this way you wouldn't need to put on a stamp."

He took a new cheque form, crossed out the "pay to the order of" line and wrote over it: "transferring balance of account," and without a stamp sent it through for collection.

Recalls Amazing Career Of Cassie Chadwick

In again bringing to public attention that interesting figure in the financial world of some years ago, Cassie A. Chadwick, Thomas P. Kane in his book, "The Romance and Tragedy of Banking," thinks it was definitely established that her maiden name was Elizabeth Bigley and that she was born at or near Woodstock, Ontario. Mr. Kane has revived in his volume the amazing story, which was one of the newspaper sensations of 1904, of the way that the Citizens National Bank of Oberlin, Ohio, was wrecked by the celebrated Mrs. Chadwick, "one of the most notorious and successful bank swindlers known in the annals of national banking." Those who can remember the current slang and the vaudeville stage of twenty years ago will recall how signally the name "Cassie Chadwick" suggested amazing swindles. The Citizens National Bank of Oberlin had a capital stock of only $60,000 and deposits of a little over $400,000, and Mr. Kane says of it, "for absolute imbecility of management it perhaps has no parallel in the history of national bank failures." Mrs. Chadwick persuaded the aged president of this bank, who later died when its affairs were being investigated, to violate the law in the first instance by loaning her $13,000, which was $7,000 in excess of the limit that the bank could lawfully loan to one person. The president made the loan on the representation of two of his acquaintances, who told him that they were engaged in a deal with Mrs. Chadwick involving the sum of $30,000 and that they had in their possession gilt edged collateral to amply secure the loan. This loan was paid at maturity, and its prompt payment paved the way to the greater extension of credit which followed to its ruin. Mrs. Chadwick appeared to have satisfied the president that she was the owner of $5,000,000 of U. S. Steel 5 per cent. gold bonds, and that Mr. Andrew Carnegie was her trustee to the amount of over $10,000,000. The documents were in legal form, neatly prepared, and bore every evidence of being genuine, even to the signature of Mr. Carnegie.

When the full story of her swindles was disclosed it was found that her reputed wealth was based on securities which totaled $13,750,000, and all of them were forgeries. The full story of her life was never brought out. She was reported to have been indicted in her younger days for forgery, but on trial was acquitted, as she was found to be mentally unsound at the time she committed the act. Later she was known as Mrs. Hoover, having been married to an old man of that name in Cleveland, Ohio. She was next known as Madame Devere, a clairvoyant, who formerly resided at Toledo, and who had served a term in the Ohio penitentiary for forgery. Later she is reported to have married a Dr. Chadwick, and she died in the Ohio penitentiary, while serving a term for defrauding the Oberlin bank.

STRONG DEMANDS FOR GOVERNMENT BANK IN ALBERTA

Agitators In the Ranks Of the U. F. A. Are Very Active

From Our Own Correspondent.

EDMONTON.—The agitation of the organized farmers for the establishment of a provincial bank under Government guarantee has reached such proportions in U. F. A. forces in the legislature that the demand for legislation upon which to found the proposed bank cannot be ignored by the cabinet, although it is well known that Premier Greenfield, Attorney-General Brownlee and other ministers are in no way sympathetic to the establishment of such a bank and are fearful of the consequence if such steps are taken just at this critical time in the financial history of the province.

Moreover, it is understood that the report of Professor McGibbon, of the university, who conducted a special investigation into banking and credit systems in the province last summer on behalf of the government, is strongly opposed to the establishment of a provincial bank or any public credit system, although he does recognize the necessity of certain reforms in the banking and credit practices in Canada. The report of Professor McGibbon has been in the hands of the government for some time, but has not yet been made public.

George Bevington of Winterburn, a member of the U. F. A. central executive and an advocate of communistic banking along the lines of the Australian Commonwealth bank, is the recognized head of the movement for a provincial bank and has had conferences with many of the U. F. A. members of the house during the last few days regarding this question. At the Calgary U. F. A. convention Mr. Bevington drew applause when he referred to the fact that the demand for a provincial bank had been before the Alberta government on two previous occasions, and that further refusal to take action on the matter might have unpleasant results for the government.

Successful Banquet By Quebec Bankers

The association of bank men at Quebec recently held a successful banquet presided over by A. C. Sutherland, manager of Molsons Bank, and arranged by a committee composed of C. M. Mowatt, C. Ford, J. R. McLeod and C. P. Liebich. Seated at the head table with Mr. Sutherland were: J. E. Pouliot, Banque d'Hochelaga; G. Wainwright, Bank of Nova Scotia; Eug. Audet, asst. general manager, Banque Nationale; Dr. Parmelee, secretary of the Protestant Committee of Public Instruction; H. Collette, Banque d'Hochelaga; A. J. Welch, Royal Bank; J. Blais, Banque Nationale; C. M. Mowatt, Bank of Montreal, and Colin J. Sewell.

Dr. Parmelee spoke on the responsibilities of the banking profession shared by the younger men. Capital was an important factor in the progress of the country and the banks were the custodians of the capital of the people. The young man who did not think it worth while to learn everything about his profession was not worthy of belonging to that profession. Bankers should be able to grasp and explain in an intelligent manner, for instance, why the Canadian dollar had depreciated as it did some time ago. The men who took an interest in their work and exchanged ideas with their fellows were the men who would succeed.

FIFTY YEARS' SERVICE

J. S. Loudon Becomes a Director of Standard Bank

J. S. Loudon, who for many years has been assistant general manager of The Standard Bank of Canada, was, upon his retirement, elected a director of the bank. Mr. Loudon was born in the city of Armagh, Ireland, in 1851. In 1867 he entered the service of the Belfast Banking Company, and came to Canada in 1871, entering the St. Lawrence Bank as chief accountant in 1873. The name of the St. Lawrence Bank was changed to The Standard Bank of Canada in 1875, Mr. Loudon continuing in the service of the Standard. In 1878 he was appointed to the management of the Harriston, Ontario, branch, and in 1882 was transferred to Picton, Ontario. In 1887 he became inspector of branches, and in 1894 was appointed assistant general manager.

Mr. Loudon has, therefore, been an officer of the bank for half a century and assistant general manager for the last 29 years. In the capacity of director he will bring to the service of the board a very wide experience of Canadian business and an intimate knowledge of The Standard Bank, gained over a long period of years.

Dominion

The Arlington St., Winnipeg, branch of the the Dominion Bank will be closed on the 28th inst.

Commerce

W. Lloyd Hodgson of the Granby branch of the Bank of Commerce, has been transferred to Scotstown.

Union

C. A. Wright, manager of the Merrickville branch of the Union Bank, has been transferred to the branch at St. Catharines, and will be succeeded by W. J. Dickson of Toronto. M. E. Walker of the Merrickville branch has been transferred to Sussex, N.B.

PRIVATE INTERESTS READY TO DEVELOP ST. LAWRENCE POWER

(Continued from Page 1)

without the fullest discussion with the Ontario provincial government.

Sir Adam Beck, chairman of the Ontario Hydro Electric Power Commission, has already announced that the commission intends to develop power on the St. Lawrence, and states that the development can be financed by the sale of the commission's own bonds. These, he states, would not require to be guaranteed by the province of Ontario but could be secured by the deposit of the debentures of the municipalities interested in the absorption of the power. But power development in a big way on the St. Lawrence must be an international affair. It will be necessary for both sides of the river to be developed at the same time if the fullest amount of power is to be developed economically. This can be illustrated by the Waddington development. A dam on the American side only with an 11 foot head would develop 30,000 horse power. A dam acress the river would develop 600,000 horsepower and the amount of water required to develop the United States share, 300,000 h.p., would be the same as for the 30,000 h.p. developed alone.

Project Ready to Go Ahead

Whether Ontario decides to develop the power under private or public ownership it is practically certain that private ownership development will be the rule on the American side of the river. New York State seems to have decided upon a system of private capital and public regulation as the fair and economical method of power development. THE FINANCIAL POST is informed that negotiations have taken place between Sir Adam Beck, representing the Ontario hydro, and the private power interests on the New York side looking to a combination of effort for the development of the Waddington site. Whatever arrangements are made, the private interests are ready to go ahead at once and develop the power. With co-operation from Canada they can make it a 600,000-h.p. development. Without that, it will hardly go above 30,000 h.p. In any event, it is estimated that the total cost for either the small or the large dam will run about $80 per horsepower, which is considerably less than the costs of the Chippawa power project of the Ontario government.

An Amazing Record of Dividends In Grocery Chain Stores

Maypole Dairy Co., Ltd., of England, on Deferred Ordinary Shares

1910	125%
1911	200%
1912	212½%
1913	162%
1914	100%
1915	100%
1916, interim Dividend	25%
1917	225%
1918	100%
1919, Aug., Stock Div.	66 2-3%
1919, Dec., Stock Div.	33 1-3%
1919, Cash Div.	100%
1920, Cash Div.	37½%

Home & Colonial Stores, Ltd., of England, on Ordinary Shares

1911-12-13	20%	each year
1914	25%	
1915 to 1919	30%	each year
Oct., 1920	300%	Bonus
1921	25%	

(Figures compiled from London Stock Exchange Year Book)

Maypole Dairy and Home & Colonial Stores are but two of a group of Grocery Chain Stores in England that have paid modest fortunes in dividends to their original shareholders.

Dominion Stores in Canada are operated on exactly the same basis as these highly successful British Chain Stores.

In the three years since they have been established earnings have trebled, and on the modest capital employed the net profits were over $100,000 in 1922.

The purpose of the present financing is to increase the Chain of Stores and so multiply profits in proportion.

The present security is $200 of assets behind every $100 8% Class "A" Preferred Share.

Preferred Dividends have been and should be earned two or three times over each year. A dividend has already been declared and paid on the Common Stock which is now given away as a bonus.

We have every confidence in recommending these 8% Class "A" Preferred Shares as a desirable and profitable investment. If you have a few hundred dollars or more to invest, we do not think that you can place it to better advantage. Write now for full particulars to one of the undersigned.

Price: Par $100, Carrying a 25% Bonus of Common Stock

Enquiries addressed to one of the undersigned will receive prompt attention.

Housser, Wood & Company
12-14 King Street East, Toronto

Brouse, Mitchell & Company
Members Toronto Stock Exchange
75 Bay Street, Toronto

Bankers' Bond Company, Limited
60 King Street West, Toronto

Statement of Condition

December 31st, 1922

ASSETS

Dom. of Canada War Loan & other Bonds	$375,583.03
1st Mortgage Loans	290,426.64
Real Estate, Home Office Building, and Equipment	127,113.45
Deposits in Banks	25,270.13
Policy Loans	23,885.15
Outstanding and Deferred Premiums. (Less commission)	49,154.88
Accounts receivable and accrued interest	43,019.01
	$934,452.29

LIABILITIES

Policy Reserves	$444,878.51
Investment Account	302,179.82
Premiums paid in advance (less commission)	765.43
Other Liabilities	298.39
	$748,122.15
Surplus	$186,330.14
	$934,452.29

Uncollected premiums and calls on capital not included above.

Surplus as above	$ 186,330.14
Share premiums in course of collection (less commission)	48,926.05
Uncalled capital	1,750,000.00
SURPLUS TO PUBLIC	$1,985,256.19

Revenue and Expenditure

REVENUE

Assurance Premiums	$300,336.63
Less Re-Assurance	32,358.71
Net Premium Income	$267,977.92
Investment Interest	33,801.93
Investment Int. accruing	8,752.51
Rents and Other Revenue	60,304.69
	$370,737.05

EXPENDITURE

Total expenses of management including commissions to agents	$202,421.18
Death and Disability Claims	40,506.14
Matured and Surrendered Policies	9,816.95
	$252,744.27
EXCESS OF REVENUE Over ALL Expenditure	$117,992.78
	$370,737.05

NORTHWESTERN LIFE

Northwestern Bldg.,
Winnipeg, Man.

H. R. S. McCabe, Man. Dir.
F. O. Maber, Sec. Treas.

THE FINANCIAL POST

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Advertising matter is declined which has a tendency to mislead or which does not conform to business integrity. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, FEBRUARY 23, 1923

TAXATION PRIVILEGES OF THE PROVINCES

THE proposal before the Manitoba legislature to tax options on the Winnipeg Grain Exchange on the basis of 2½ per cent. of the cash value, as levied in the United States, has met with a storm of protest from the farmers of Saskatchewan and Alberta. As the Regina Leader points out, the farmers of Manitoba can possibly afford to pay a government tax of this sort, but five-sixths of the total levy, it is estimated, would be paid by the farmers of the other prairie provinces.

Saskatchewan raised last year over 250,000,000 bushels of wheat and Alberta approximately 65,000,000 bushels, while Manitoba raised only 60,000,000 bushels. Assuming that the farmers of the three provinces avail themselves of the option market in the same proportion, Saskatchewan and Alberta farmers would pay into the provincial treasury of Manitoba five times as much money as the farmers of Manitoba.

The Leader doubts very much if any tax levied on options by the government of Manitoba would stand the test of the courts. Were it to be established that Manitoba has a right to levy toll on every bushel of grain passing through it or every option purchased in Winnipeg on grain grown outside the province, what, asks the Leader, would prevent the province of Ontario from similarly levying toll on every bushel of grain stored at the head of the Great Lakes or the province of Quebec from taxing every bushel of grain touching at Montreal?

While the provinces of Canada have broad legislative powers, rights as regards inter-provincial trade were pretty clearly set down in the British North America Act, as has been indicated in connection with the liquor traffic. We do not believe that such a levy as proposed in Manitoba would be constitutional. If it should prove so the establishment of grain exchanges at Regina and Calgary would undoubtedly follow.

"BANKS" AND BANKS

THE financial institutions which recently failed in Winnipeg were not banks in the sense in which our chartered institutions are regarded, although there was on deposit almost three-quarters of a million dollars of the public's money. Canadian banks are chartered by the Dominion government and are operated under strict regulations as regards their trusts of the money deposited by the public and even in the event of a failure there would be no loss to depositors. Shareholders might be expected to face a loss but not those who in good faith had placed their money in the keeping of the bank. There are statutory provisions to provide against such an eventuality.

The two institutions whose doors have closed accepted money that was offered them, quite probably solicited deposits, because, as the Manitoba Free Press points out, there was no law to prevent them so doing and no law to prevent people leaving their money with them. The unfortunate part of it is that a considerable amount of this money belonged to people who acquired it by dint of the greatest economy. They will probably fail to realize that their money would have been perfectly safe in a chartered bank and will be inclined to condemn banking institutions for the faults of institutions that were not banks in the proper sense of the word.

It is quite probable now that steps will be taken by the Manitoba government to make it impossible for such institutions as the Dominion Ticket and Financial Corporation to accept deposits from the public. This may savor of locking the stable after the steed is stolen, but other provincial governments might profit by the recent experiences in Western Canada. Also there would seem to be a field for the banks in advertising their services to depositors as against these flimsy institutions.

ADJUSTING THE COAL INDUSTRY

THE BITUMINOUS coal operators and miners of the central competitive field, which virtually means all the unionized territory have come to the agreement to have no strike this year. This understanding was reached by the action of the operators in deciding to make no effort to reduce the present wage rates—in other words by their conceding without a contest the issue over which the strike was called last year. Doubtless that was the easy way of dealing with the problem so far as the operators were concerned, and there remains only for the consumers of coal to pay the price.

Wages are now fixed on a basis which is justified upon the theory that the miners will have work approximately only two-thirds of the time. In other words, there are too many miners for the amount of coal to be mined, and inasmuch as it has been considered an undue hardship to require some of them to find other work, public sentiment has supported the doctrine that the price of coal should carry the burden of idle time.

A preliminary report of the Fact Finding Coal Commission was filed on the 15th of January, in which the Commission says that there are "too many coal miners and too many mines," and that "there can be no permanent peace in the industry until this underlying cause of instability is removed."

It goes on to say:

> There can be no satisfactory agreement as to wage rates, and no lasting peace between operators and men, unless steadier employment can be provided. There can be no satisfactory solution of our transportation problem, so long as the railroads are subjected to sudden peak loads of coal traffic at the season when the demands of agriculture and industry are at their height.

All this was well known to everybody familiar with the industry. With the revival of industry it is probable that more coal will be wanted than for the last several years, but if work is steadier the argument for the present wage rates per ton to cover idle time will weaken, and the public should have a day in court.

The Commission having now located the seat of the difficulty in the coal business, the rest of its labors may be given to discovering why surplus coal operators and surplus miners are not eliminated from the coal industry as surplus people are from other industries, says the National City Bank of New York; the natural economic adjustments usually take care of such situations, and it is safe to say that something interferes with the free play of natural forces in the coal industry or a natural settlement would be found.

THE LESSONS OF CO-OPERATION

THE directors of the United Grain Growers are to be congratulated on the frank way in which they have faced and acknowledged the losses sustained by the implement, lumber and securities subsidiary companies. Not only have they acknowledged failure but they have written off losses and, where possible, are getting out of the lines of business in which co-operative methods are evidently not effective in competing with highly-organized, long-established private organization.

Experience of the soundly-conducted co-operative enterprises results in one or two things—better and cheaper service to the community through a willingness of individuals to do something for themselves and others or losses which create a better appreciation of the service rendered by private business, both individuals and corporations.

The difference between sound co-operative enterprise and co-operation backed by government guarantee or government ownership, is that in the one case the losses are sustained by those who would benefit in the event of success, while in the other the deficits are made good out of the pockets of the general taxpayers.

KEEPING UP AGENCY CONNECTIONS

IT IS not safe to think that when once an exclusive agent has been appointed for a foreign territory he can be left to his own devices. Those who think so can draw a moral from the recent experience of a well-known American specialty manufacturer. This manufacturer had (as he thought) an agent with exclusive rights in one of the two large cities in a certain foreign territory. Desiring to appoint an agent for the other city he wrote to the American consul in the territory in question, asking for a list of agents who might be willing to take on his line. The consul's reply informed him that in the first city he had two agents, each of whom claimed exclusive jurisdiction for the whole territory.

This state of affairs had existed for nearly a year. It arose from the fact that the firm originally appointed as agents went into bankruptcy, receivers were appointed, and one of these took over the agency for the specialty. After a certain period the original firm resumed business, but for some unexplained reason the receiver also kept on with the agency. Neither of the agents is making any attempt to push the line—which probably explains why they have not told the manufacturer of their conflicting claims.

Proper co-operation with agents abroad is a vital matter in exporting. The agent is the salesman of the exporter's goods, and as such he deserves all possible assistance.

RETROGRESSION IN RUSSIA

ILLUMINATING evidence of what is happening to Russian industry under the Soviet regime is contained in reports recently submitted to Soviet organizations. One report presented to the Committee on State Planning and summarized by the United States Department of Commerce, after its appearance in an official Soviet daily publication, gives this picture of economic and industrial conditions in Russia:

During the period of the new economic policy, two contrary developments are being shown: On the one hand the continued process of exhausting the means of production in industry, as well as of transport; on the other hand, an improvement in the organization of industrial processes, and of exchange.

The author of the report contends that under the combined influence of these two contrary tendencies there has been a decrease in the number of individual workers and an extension of unemployment, but there have also been increases of individual productivity and of actual earnings of those employed.

In general, the report is a story of industrial retrogression. Decline in coal production is noted, stocks of raw material such as wool, cotton and flax have "greatly decreased." Reserve supplies of pig iron and of crude oil declined by two-thirds in 1922 compared to 1921. Instability in agriculture is referred to, along with a general curtailment in the means of agricultural production.

The report in conclusion states that the shortage of material means in the economic life of the country must be supplied from abroad; that importation of capital, both industrial and commercial, is indispensable as are, also, foreign credits in goods and money.

It is quite apparent from the foregoing that economic laws are a force in Russia, as elsewhere, and that Soviet theories of finance and administration can not prevent their operation.

EDITORIAL NOTES

ONE ARGUMENT in favor of the present liquor legislation in Ontario, at least so far as the government is concerned, is the fact that revenue obtained from the provincial dispensaries during 1922 amounted to $1,373,281.

* * * *

THE MANITOBA Legislature is now proposing a tax on options on the Winnipeg Grain Exchange, and another levy on the fox farmers. The more extensive the ventures of the provincial governments into the field of private business the greater the taxes levied upon private companies in order to pay the way of the non-taxed government concerns and in many cases to also make good the losses sustained.

* * * *

HOW LONG is the gold mining industry of this province to be crippled for want of power—with scores of thousands of horsepower in the district running to waste? The Toronto Globe asks the question. The answer is, just so long, evidently, as private enterprise is discouraged in the development of power. For years Sir Adam Beck has held up the development of the north country with his blanket monopoly of power sites which have been reserved in the name of public ownership regardless of the interests of the districts immediately concerned.

* * * *

THE AUTOCRATIC attitude of the Ontario Hydro in the matter of power contracts was referred to in the legislature by Attorney-General Raney in telling of the attempts to get Sir Adam Beck to enter into a business-like arrangement with Mr. Alstead, of the Great Lakes Paper Company. "And this is no novelty—friction developed," he asserted. Further he added that the government might over-ride the Commission and regulate the price of power at Port Arthur and Fort William in view of the present deficits on the Nipigon system.

Five Hundred Englishmen Answer One Farmer's "Ad"

An Indication That Britishers Are Looking for an Opportunity to Come Out to Canada if Machinery is Set in Motion

By E. L. CHICANOT.

A short while ago an Englishman farming in one of the western provinces bethought him of making provisions for his 1923 farm help in good time. His inclination ran to hiring an Englishman, at the same time securing a man of his own tastes, giving employment to a fellow countryman, and adding a new citizen to Canada's population. He accordingly inserted a small advertisement in the London Daily Chronicle offering £44, or roughly, $250 per year to a young man who would come out to his farm. The result somewhat surprised him. He received no less than five hundred applications from young Englishmen for the position.

This one little episode speaks volumes. It illustrates two things—first the acute state of unemployment in the British Isles, which is generally known, and the natural result of conditions there, and secondly that hope in the Motherland is still buoyant in the Dominion as a land of new opportunity, which it is not so natural to expect in view of the discouragement of the past few years and the greater inducement held out by other Dominions of the Empire. Most of all it points out just what Canada might be doing. Here were five hundred prospective immigrants from one small obscure advertisement in a London paper. Lacking only was an agency to act between them and the Dominion.

To judge by the accumulation of evidence which piled up in the year just passed, Canadians of every section and class have arrived at the definite conclusion that immigration is a pertinent factor in the future of the Dominion and in their own welfare and that of their children. They cannot therefore regard the present state of immigration as anything but exceedingly distressful. The number of settlers who entered Canada in 1922 was 30,000 less than in 1921 and actually 77,000 less than in 1920. And none of them were banner years. The volume of immigration in the year just concluded was only 17 per cent. of that of 1913 when the tide to these shores was at its flood, but would undoubtedly have gone higher had the outbreak of the war not intervened.

Misdirected Efforts

The tragedy is that Canada is not facing very much brighter prospects this year than last though there is every reason to hope and expect that the end of the twelve months' period will show a substantial increment over the lamentably small volume of immigrants of 1922. But in view of the possibilities at the present time what is being done is infinitesimal. Efforts, which one cannot doubt are the best intentioned, are being made to speed up immigration to some extent, but they seem to be misdirected, to fail in a just conception of the situation, to miss the salient points in their objective, and hardly calculated to be productive of the best results.

Immigration efforts this year in the British Isles are to be concentrated on a campaign of advertising and publicity with the object of inducing those of agricultural experience and of substantial capital to come to Canada. The same, according to advice, is to be done in the United States. If the case recently quoted may be taken as typical there is no need in the British Isles at least of Canadian advertising of a general nature. Thousands of men know they want to come to Canada but want a way found for them to effect this step. Agriculturalists in the British Isles are of two classes, wealthy land owners and laborers of extreme poverty. The one has no reason or any desire whatever to emigrate, and the other is no more in a position to do so than his substanceless city brother.

Practical Policy Needed

From every indication at the present time, what is urgently needed to add a substantial volume of citizens to Canada's population is not an advertising campaign lauding Canada to despairing men who are only too desperately anxious to come to Canada, but the organizing and putting into operation machinery which might exploit these available deposits of citizen material. This, it might be thought, would be a work of tremendous expense to the Dominion, but it is not really so. Many governments in Europe faced with the problem of a surplus population and seeking a solution have seen their opportunity in the waste spaces of Canada as well as the material betterment of their people, and have made various generous offers to move valuable parties of valuable settlers, frequently at no expense whatever to Canada.

Belgium, Holland, Denmark, Norway and Switzerland have offered to pay the costs of the transport of their nationals who are acceptable to the Dominion authorities. Their generous and valuable offers go untaken. Recently a representative of the Swiss government was in Canada to try to make satisfactory arrangements for the settlement in the Dominion of one thousand Swiss agriculturalists. Absolutely nothing has been done in this matter. The Dominions of the Empire have available for their uses in British settlement the sum of $15,000,000 a year for five years but whilst Australia is moving 50,000 emigrants from the British Isles each month Canada has made no move to take advantage of this remarkable offer though her total of British immigrants for a year is about half what the Antipodes secure in a twelfth of the time.

Success is Assured

It is not as though the success of these people in Canada were to any degree problematical. In every case the nationals of the countries which make these settlement offers are among the best farmers in the Dominion. There are no better agriculturists or more valuable citizens in Canada than the Norwegians and Danes, whilst the Belgians, Swiss and Dutch do not fall far behind. Because these British prospective immigrants have no agricultural experience behind them is no occasion for fear. Such men were Seager Wheeler, Herbert Greenfield, Charles Dunning and John Oliver. Were the policy that is followed now in force twenty years ago these men who have revolutionized western farming and are leading the destinies of Western Canada would be vigorously discouraged.

Lower Wage Scale Brought Larger Output

"Your freight rates are the cause of many of our present difficulties," said a manufacturer to A. D. Mactier, of the C. P. R., recently. "The high wages you pay make these high freight rates necessary. Why don't you cut your wages 12½%?"

"Why don't you?" shot back Mr. Mactier.

"That's just what I hoped you would say," said the manufacturer. "The answer is, we have. Only when we did this nobody knew anything of it. If you did it on the C. P. R. everybody would know about it."

"And," said the C. P. R. official, "how did you get along?"

"The thing worked out just as we thought it would," said the manufacturer. "The men did not suffer. We and the general public benefited. In other words, the men really got just as much money and we got more production.

"Our decreases in wages went into effect at the first of the year. You will understand that most of these changes were affecting people who worked on piece work. I signed the wage cheque for December, the last month of the old high scale, and just four weeks later I signed the cheque for the January pay which was on the new basis of 12½% less, roughly speaking. The January pay cheque was within a dollar or two of the December pay cheque. In other words, the men got just as much money because they had turned out more stuff.

"It was production we required and we were gratified that we were getting it.

"I believe," continued the manufacturer, "that what all of us need at the present time is to produce more. Did you read what Sir Edmund Walker said recently? 'All of us have to learn that we must work for less, or produce more. That is the only way we will pay for the war.' We all realized the need of hard work and production during the war, but the tendency has been to forget all that."

Avoiding Payment Never Considered

Rather a worth-while appreciation of the character of the Ontario farmer was extended by a loan company president when discussing the various moratoria which have been in effect in Canada.

"There was what practically amounted to a moratorium in Ontario, you know," said this man. "It made little or no impression on the farmers whom I had contact with. One or two of them mentioned it to me. After the first day or two I never heard of it."

"Do you think the farmers forgot the possible relief they could have gotten under this Act?"

"No, I don't believe the farmers forgot," said the president. "They regarded the measure from the first as something that did not apply to them. Their feeling evidently was that they had incurred a debt and should make payment of interest and principal as they had agreed. Moreover, they knew they were able to do this."

Personals

J. T. WILSON, the first president and managing director of the newly organized Maritime Life, was Nova Scotia manager of the Canada Life which company he served for 15 years.

CAPT. J. A. SULLY, R.F.A., is now in charge of the activities of the Sovereign Life in Manitoba. Of late he has been special agent of the Manufacturers Life in Alberta. Capt. Sully rendered distinguished service with the Royal Flying Corps in France, and was later attached to the British Embassy at Washington, D.C.

F. G. TAYLOR, of the Mutual Life of New York, in charge of the Maritime Provinces, has cast in his lot with the Maritime Life, a new company with headquarters at Halifax. He will be secretary-treasurer of the company. Prior to entering the insurance field he had an experience in banking and finance which will well fit him on his new post.

EUGENE LAFLEUR, K.C., who has been made a director of the Royal Trust Company, occupies a prominent place in the legal world of Canada and has appeared before the Privy Council in London in many important cases. He has been a lecturer in law at McGill University, from which he holds the degree of LL.D. He has also been batonnier of the bar of the Province of Quebec and is the author of a well known work on international law.

ARTHUR B. WOOD, actuary of the Sun Life, has joined the board of directors as vice-president succeeding the late S. H. Ewing. Mr. Wood joined the staff of the Sun Life after graduating from McGill University. In 1900 he was made assistant actuary. In 1903 he qualified as a Fellow of the Actuarial Society of America, and in 1904 he became a Fellow of the Institute of Actuaries of Great Britain. He is also a Fellow of the Casualty Actuarial and Statistical Society of America. In 1908 he was appointed actuary of the Sun Life. In May, 1922, he was elected vice-president of the Actuarial Society of America. He is also president of the Canadian Life Insurance Officers' Association.

R. B. TEAKLE, has been appointed general manager of the Canadian Government Merchant Marine, Limited, and the Grand Trunk Pacific Coast Steamship Co., Limited. Mr. Teakle has been manager of the Canadian Government Merchant Marine, Limited, since the formation of the company in May, 1919, when it operated only three or four ships in place of the present sixty-four. He has been in the shipping business since he was sixteen years of age, when he entered the employ of the old Allan Line, continuing with that company until he became manager of the Boston office. Upon the absorption of the Allan Line by the Canadian Pacific Steamships, Limited, in 1916, Mr. Teakle became New England manager for the France and Canada Steamship Corporation, with offices in Boston, which post he resigned to become manager of the C.G.M.M.

PROF. W. C. CLARK, head of the Commerce Department, Queen's University, Kingston, has resigned his post to go to Chicago as consulting economist and financial expert of S. W. Straus & Co., real estate and bond investment house. He will undertake research work in connection with economic and financial problems of the investment business. Prof. Clarke while at Queen's organized the course leading to the Degree of Bachelor of Commerce. He was director of the courses in banking, commence and accounting. He acted as advisor to the Department of Labor on reconstruction problems and assisted in the organization of the Employment Service of Canada, now comprising 80 odd employment offices. He was loaned to the Federal Government by the university to carry out this work. Prof. Clark is a native of Martintown, Ont., and graduated from Queen's as Master of Arts, 1910, with gold medals in French, Latin and various other prizes. He immediately entered post graduate work, taking first class honors in History and Political and Economic Science in April, 1912. Later he went to Harvard University, and after graduating from there he was appointed lecturer in economics at Queen's University, May 1914; assistant profesor, May 1915; associate professor, May 1917; director of courses in banking, 1919; full professor and director of courses in commerce and administration, 1921, and director of courses in accounting, 1922.

A Laugh is Always in Order

A MATTER OF CHOICE

"Rather sad about that friend of yours who was killed in an auto accident."

"Very. He allowed his life insurance policy to lapse in order to have enough money to buy the car."—Judge.

SAFETY MEASURES AROUND THE HOME

An insurance authority at Muskegon warns us that one of the commonest kinds of injury is that received by people climbing in and out of bath tubs on Saturday night. It has been suggested that those who wish to avoid this danger might try climbing in and out the other six nights of the week.—Detroit News.

WANTED TO BE THERE

The great banker lay on his death bed. Many of his friends were gathered about his bedside to be with him at the last. The attending physician whispered to the group: "I fear he is nearing the great divide."

"Tell them not to divide until I get there," whispered the dying banker.—Forbes Magazine.

WHY INDEED?

The preacher was out on the links and thought a small moral lesson might not be amiss.

"I notice," he remarked mildly, "that the players who get the lowest scores are not those who swear."

"Why the hell should they?" snorted the gloomy golfer, as he dug up another slice of turf.—Pickup.

HER PROBLEM

The real-estate man was anxious to close the deal. "Why, I tell you, Mrs. Dunmore, this tobacco plantation is a real bargain. What are you worrying about?"

The prospective but inexperienced purchaser pondered. "I'm not worrying, particularly," she said, "but I was just wondering, if I bought it, whether to plant cigars or cigarettes."

DULL DAYS

A Red Cap at the Exchange street station was bemoaning the fact that he was unable to get action for his money.

"I went oveh there and they wasn't any stud game; they wasn't any crap game, they wasn't nothin'."

"Boy," remarked one of his fellows, "that am a sign of the times."—Buffalo Express.

WILDCATTERS

An oil promoter was trying to gain admission into Heaven, but Saint Peter refused, saying that the oil men he had inside at present gave him more trouble than every one else. The would-be angel made a proposition that he would get rid of all the other oil men in Heaven if he be allowed to remain. He was admitted on these terms. In a short time all the oil men came up to the gate and asked to be let out, and they were immediately given their freedom. When Saint Peter saw the man who had managed to get all of the promoters out he asked him how it had been accomplished.

"Well, I just whispered around that a wildcat well had been struck in Hell. And you had better let me out. With all that bunch prospecting around down there they might strike something and I wouldn't have any leases."—Judge.—Wall Street Journal.

Province of Ontario

Twenty-Year 5½% Gold Bonds

Dated 1st Dec., 1922 *Due 1st Dec., 1942*

Principal and half-yearly interest (1st June and December) payable in gold in Toronto or Montreal. Bonds may be registered as to principal. Denomination: $1,000.

These Bonds and the interest thereon are a direct and primary obligation of the Province of Ontario and a charge upon the Consolidated Revenue Fund of the Province.

Price: 103.70 and Interest, Yielding 5.20%

Bonds are ready for immediate delivery.

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The Post Prevents Losses

M. W., Montreal.—I have only been reading your paper a short while otherwise I would not have lost so much money in the past. I put $1,600 into the L. R. Steel Companies. In November, I got into financial difficulties and the Montreal office of the L. R. Steel Service Corporation told me they could sell my stock for 15 per cent. commission. I left them the certificates and since then I have received no word concerning my stock nor have they returned my certificates. How can I get back my stock or make them sell it for me? I am afraid I have lost the entire $1,600.

We would hesitate to say that you have entirely lost the $1,600 you have put in the Steel companies. If you were to attempt to market your securities now, however, you would have to take a fraction of what you paid for them originally.

We took up with the Montreal manager of the L. R. Steel Service Corporation the question of the securities you left with him for resale. He told us that he was awaiting an opportunity to sell these stocks; that at the present time they were not selling steel stocks due to the re-organization of the company and the suspension of stock-selling activities, for the time at least.

He stated also that an investigation would be made of your present position to see if you really are in a serious condition financially and requiring the money that you invested with the company, in which case they might make an attempt to sell the securities.

We would advise you to make strong representations to the company to either sell the stock or return the certificates to you and if you have any promise from them that they would sell the securities for a 15 per cent. commission we would advise you to hold them to it and get your money out of the company as quickly as possible.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

WRIGHT HARGREAVES

Reader, Owen Sound—Kindly give me your opinion on Wright Hargreaves.

Wright Hargreaves produced $762,752 in 1922, which gave a net return of $361,423. Dividends at the rate of 15% were paid. The company is capitalized at $2,750,000 and owns 155 acres in Kirkland Lake camp.

TECK-HUGHES

Subscriber, Owen Sound—Kindly give me your opinion on Teck Hughes as a speculative investment for a professional man, whose income is fairly well protected by government bonds, etc.

Teck-Hughes recently took over the Orr property and it is believed that a year's time will see this mine producing a million a month.

LAKE SHORE

Banker, Owen Sound—Would like your opinion of Lake Shore Mine.

Lake Shore is another rich producer of Kirkland Lake. At the present time plans are under way to double the daily production and the approach of this event, which will increase the earnings very materially, has been responsible for the recent advance in the market price of the issue. It is a good speculation.

LAKE OF WOODS

W. F. Saskatchewan—I shall be pleased to receive your opinion of Lake of the Woods common.

We have great faith in the milling industry in Canada in view of our capacity for producing wheat and the world demand for flour. Of course, at the present time the European market is very much upset and the buying power of the people is very difficult to gauge. As a business man's investment we believe Lake of the Woods is attractive, but would not care to predict what fluctuations in the market may occur in the near future.

ALABAMA TRACTION

H. T., Saskatchewan.—What do you think of the bonds of the Alabama Traction Company? I mean the 5% bonds due 1962.

The Alabama Traction, Light, Heat and Power bonds are now available at about 73 to investors, at which price they yield 7 per cent. These bonds in the past have been considered a somewhat speculative issue, but the company has improved its position during the past few years and the securities are held in much higher regard. The bonds have a long term yet to run—39 years—and have very attractive possibilities.

BATHURST COMPANY

L. B., Ontario.—I am thinking of buying $10,000 of bonds of the Bathurst Company, convertible into common stock. Let me know what you think of it.

The bonds of the Bathurst Company are very well protected both as regards the value of the properties that secure them and the earnings of the Company. While in 1921 earnings were on a very unsatisfactory basis, the average for some years before that was from two to four times the amount of bond interest. The assets have a valuation that seems to be sufficient to supply ample protecting for the first mortgage bonds.

The bonds are still being offered on a basis of par and accrued interest to yield 6½ per cent.

TAX EXEMPT ISSUES

Subscriber, Ontario—I expect to have some funds to invest at an early date. Can you give me a list of a few of the best investments that are free of Dominion income tax? I am more particular about the security than the yield. As I am advanced in life I prefer a permanent investment, if possible. I think I have enough of the Dominion government bonds—the tax exempt issues.

There are no investments free from Dominion income tax outside of the tax exempt war and Victory loan issues of the Dominion government.

Unless your income exceeds $6,000 you are not interested in tax-exempt securities and if you hold any such we would advise selling them to buy 1934 Victory bonds and some of the longer term municipals.

SEA SLED

Banker, Nova Scotia.—I understand the Sea Sled Company is about to be listed. Could you give me any information?

Application has been made for the listing of the Sea Sled stock in the unlisted department of the Montreal Stock Exchange. The Canadian Vickers Co. has the rights to build these vessels in the Dominion. The Sea Sled Co. of Canada also owns the U. S. rights and has a plant at Mystic, Connecticut. Most of the $1,000,000 capital stock was sold in Canada at $20, par value $25. The balance was disposed of in England. During the past year the company erected a number of vessels with the new inverted "V" hull. They are said to be able to attain a great speed. One vessel, built to carry 25 passengers, is expected to be able to make the trip from Montreal to Quebec in 5 hours.

MARITIME FISH CORPORATION

H. T., Indian Head.—I am offered bonds of the Maritime Fish Corporation at 5% due 1940 at 75. Are these a safe investment?

You state that you have been offered bonds at around 75. This seems a little high; the bonds have been selling at 70 and under and despite some recent strength in the bond market you should not have to pay much over 70. Interest on these bonds has always been paid regularly. The last annual statement available covers the year 1921 when 9 per cent. was earned on the preferred stock after paying bond interest. At present prices the bonds yield about 7½ per cent. and considered as a high yield issue they should be found satisfactory. One difficulty is that there is not a very wide market for the bonds and if you wish to sell in a hurry you might have to sacrifice at something less than their real value.

LOANS TO DIRECTORS

J. M. H., Hamilton—On looking over the returns of the chartered banks of Canada to the Federal Government I note that under the caption of "Loans to Directors" appear varying sums running from a small percentage of the paid-up capital of the bank to what I should judge was a large percentage, in some cases as high as 10 per cent. Would you let me know what supervision there is at present as to the collateral behind these loans and whether this supervision is in the hands of the government or exercised by the directors themselves?

There is the same supervision over loans to directors and firms of which they are members as there is over other loans made by the banks. That is to say it is the duty of the chief executive officers who are in charge of making loans and inspecting them to see that such loans are as well secured as any other loans.

The volume of loans to directors of Canadian banks by their own banks is not regarded as large in the aggregate and we are not aware of any case in which loans by a Canadian bank to its own directors has resulted in even a minor loss let alone putting the bank in serious difficulty.

MUTUAL OIL

Banker, Petrolia.—Will you kindly favor us with a report as to the standing of Mutual Oil Company, as to the amount of stock outstanding and their operations, together with your opinion of the stock as a speculation.

Mutual Oil is looked upon by many as a speculation of considerable possibilities, though of late there has been quite a rise in the market price of the stock. It is now selling around $15.

During 1922 the capitalization of Mutual Oil was increased from $15,000,000 to $30,000,000 to provide stock to absorb a couple of smaller companies. Since then there have been other absorptions. It is estimated that about two-thirds, or $20,000,000, of the capital stock has been issued. The company is said to own 7,000 acres of proven oil fields with some 300 undrilled locations. Present production is around 14,000 barrels daily. The refining capacity is 10,000 barrels a day, there being four refineries in all. It has 250 distributing plants in 7 states of the union. It also owns an interest in several pipe lines and 1,000,000 barrels of steel tankage. The company is a complete unit in itself.

BELGO PAPER

A. T. Ottawa.—It has been suggested that I sell $4,000 Ontario 6's 1930 and reinvest in $2,000 Canada Steamship's bond, now about 96 to yield over 7%. Also suggested are $1,000 Belgo Paper and $1,000 Mercury Mills. What do you think of this trade? I hold about $15,000 of Government and Municipal bonds additional.

The switch of your Ontario bonds into Belgo Paper and Mercury Mills bonds should prove satisfactory if you can make a good trade. An increased yield will be obtained and the issues are among the best corporation bonds on the market. The property and franchise of Canada Steamships are undoubtedly very valuable security for the bonds, but there has been considerable dissatisfaction with lake freight rates and the inquiry now being held by the Dominion government may conceivably result in restrictions that would injure the company's position. Another point to consider is that profits have undoubtedly been lost to shareholders through subsidiary companies and there is not yet complete confidence in the management, despite some changes.

A SWITCH IN BONDS

Reader, Nova Scotia—I have a considerable amount of money invested in Dominion and Provincial Government loans, also a certain amount in well seasoned public utility and corporation bonds. I find that I have a small amount of Dominion War Loan 5's due in 1925 and I am considering converting it into long term public utility bonds. I am thinking of dividing this amount equally amongst the bonds of the following companies: Western Power of Canada 5's; Southern Canada Power 6's; Avalon (Newfoundland) Telephone 6½'s. I would greatly appreciate your giving me an opinion on the above securities and I would also like to know if you consider that there are any other bonds on the market which would be better suited for my purposes.

It seems to be an excellent move on your part to sell the short term government bonds to purchase long term public utility bonds. These, when well chosen, offer very attractive yield at to-day's prices.

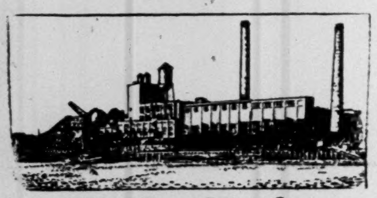
Western Power of Canada 6 per cent. bonds due 1949 at the present market of around 85 return a yield of about 6.25 per cent. The company is controlled by the British Columbia Electric Railway Company and has assets of over $11,000,000 behind $5,000,000 of bonds outstanding.

Southern Canada Power 6 per cent. bonds due 1948 sell to-day at around 98½ to yield 6.10 per cent. to the investor. The company is well established in a rich territory of Quebec province and earnings have grown to a point where the interest on the bonds seems to be well protected. It is the strongest of the three issues you mention.

The Avalon Telephone Company 6½ per cent. bonds due 1942 represent a small block of about $115,000 recently offered of a total issue of $150,000. The company has recently installed a modern exchange telephone system in St. John's Newfoundland, and is established at other points in the Dominion. We consider the bonds a reasonably safe investment although in marketability they may fall below the other two issues.

If marketability is a factor in determining your judgment you might purchase either Western Canada Power or Southern Canada. If you are buying for investment all three should be satisfactory.

RSC INVESTMENT-SERVICE



Partial View of Plant of Bathurst Company Limited

$32.50 on $500
$65.00 on $1,000

If you have $500 or $1,000 or more to invest and wish to place it securely and yet enjoy a substantial rate of interest, you cannot do better than purchase the 6½% First Mortgage Convertible Sinking Fund Bonds of The Bathurst Company, Limited.

The security behind these Bonds is in the ratio of 3 to 1 or $3,000 for every $1,000 Bond outstanding.

The record of the Company since 1907 shows ample net earnings to cover Bond interest requirements.

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CURRENT OPINIONS

NOT ALONE ON THIS

London Advertiser

Premier Drury justifies the stand of his government in opposing the building of hydro radials, which he estimates would have cost the country $200,000,000 at least. He claims that farmer government set itself against this plan, and that "we did so in the face of the press of the country." The answer to that statement is to some extent yes and to some extent no. The press of Ontario was never a unit in calling for the construction of hydro radial lines. That project received far less support than the development of hydro power.

There were several daily papers which opposed the scheme, and opposition was voiced in a great section of the weekly press, where the publishers are in very close touch with rural opinion. These papers realized from the very start that transportation methods were rapidly changing, and they knew as well that there were many things far more urgent on which the government could lay its hand and promote with its money.

No doubt it is some satisfaction to Mr. Drury to find that a railroad man of the schooling of Sir Henry Thornton holds views similar to his own, and denounces as highly undesirable the placing of radial lines in territory now served by the people's own National system.

But Mr. Drury will find that there are many people who have been thinking in this same direction all the time, and have been giving public utterance to their views.

A TRAGEDY OF THE AGE

Toronto Mail and Empire

One of life's most pitiful tragedies is the sweeping away of an old person's humble store of savings. A few hundred, or perhaps a few thousand dollars, is the precious treasure accumulated for helpless old age. This sum stands between an independent old soul—or perhaps two souls—and indigent dependence on someone else. It represents the faithful labor of years; fingers worn thin; perhaps years of shabbiness and denial of small pleasures. Perhaps a slick tongue swindles it away with rosy promises. That is a tragedy. But when the money is "safely" deposited in a so-called banking place, and is lost, then even tragedy seems too light a word.

The Winnipeg Tribune tells of widows, and aged couples frantically appealing to the Winnipeg police to recover deposits lost in the bankruptcy of two private banking concerns. From a public point of view, the incident is not at all uncommon. The world will forget the incident in a few weeks, just as it has forgotten the Farmers' Bank and other failures. But these poor widows, these aged couples who, at the sunset of life, thought themselves safe and independent until the twilight, and then the dark, what of them? The same pitiful story is told a thousand times each year in every large city. The loss of the savings of a lifetime is a common thing. The robbing of widows, by legal process, it is true, is common. A very prolific industry is the inveigling of people, who don't know the mean cupidity of some men, into the handing over of their meagre savings—for a pot of gold at the end of the rainbow.

What becomes of these poor victims of criminal greed? Well, our "capitalist system," as the Socialists call it, is so organized that we maintain poorhouses for the aged and indigent. At least life may be sustained until Death ends it all. Perhaps some Samaritan may happen by. But the world is cold to those without money and friends, and ecstatically cordial to those who have them. Many a man with a fortune has got it by stripping others—who lack shrewdness and guile—to their last rags. One of the most appealing sides of Christianity is the promise it gives, to believers, of final true justice, of rewards that reck not of money, social position, or the world's applause. It is that which frequently softens the tragedy of sudden pennilessness in old age.

A Clergyman's Investments

(Rev.) M. J. M., Eastern Canada.—I have been reading carefully your estimates of different securities and wish your opinion of the investments I have. As I am a professional man depending on a small salary I desire my money to be well invested to produce the highest interest returns consistent with safety. Would you advise me to sell or exchange any of the enclosed list?

I have been a reader of your valuable paper for some years and have appreciated your analysis of current events, the world situation and your advice in regard to securities and investments.

I own:

$11,000 City of Moncton 6% bonds due 1931 purchased at $98.50.

$1,400 City of St. John 4% bonds due 1946, purchased in 1921 at $73.50.

$3,500 Victory bonds, due 1934, purchased in 1921 at $98.

$1,000 Maritime Telegraph and Telephone 7% bonds, due 1945, purchased in 1921 at par.

$2,000 Manitoba Power Co., 7% bonds due 1941, with rights to subscribe to common stock, purchased in 1921 at $98.

$1,920 Trinidad Electric 5% bonds due 1931, purchased in 1921 at $80.

6 shares Bank of Montreal, purchased in 1922 at $220.

$500 East Kootenay Power 7% bonds with 1¼ share of common stock, purchased in 1923 at 97½.

$2,400 farm mortgages paying 7%.

$500 note due in six months and $50 war savings stamps.

You have undoubtedly been a very careful investor and there is nothing in your list that need worry you in any way whatever. You have done very well to invest your money to return such a high yield.

You have all the public utilities securities that you are justified in purchasing. Approximately 20 per cent. of your total capital is invested in public utility bonds and while this is not too high a percentage, it is sufficient.

The shortest term investment that you have is the City of Moncton bonds to the amount of $11,000. These are 6 per cent. bonds and you could get something over par for them at the present time. As a rule we feel that comparatively short term securities selling at over par should be sold and proceeds invested in longer term securities selling under par or about that mark. Gradual exchange of this lot of Moncton bonds into longer term municipals of equally high rank would be of value in perpetuating the very substantial income you are now getting. This does not apply to the City of St. John bonds and the Victory bonds, which are both good investments for you to hold.

You have about $500 coming due in six months. If you are in a position to look after your mortgages very carefully you might find another suitable farm mortgage to put this in and it would yield you about 7 per cent. If not it should go into municipal bonds which would give you the greatest amount of freedom from responsibility.

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$2,000,000

The Montreal Catholic School Commission

Twenty-Year 5½% Bonds

Dated February 1st, 1923. **Due February 1st, 1943.**

Principal and half-yearly interest (1st February and 1st August) payable in Montreal, Que.
Denominations: $1,000 and $500.

Bonds may be registered as to principal.
Legal Opinion: Brown, Montgomery & McMichael.

Price; 103.07 and Interest Yielding 5.25%

Mail your order and bonds will be delivered to your bank, with draft attached, without additional expense to you.

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Principal and interest payable in Montreal and New York City.

THESE bonds are payable from taxes levied to an amount sufficient on all the taxable immovable property of the following Municipalities: Cities of Montreal, Westmount, Outremont, Verdun, Lachine, and Towns of Montreal West, Hampstead, Lasalle, St. Pierre, St. Laurent, Mount Royal, Montreal East, Montreal North, La Pointe-aux-Trembles Laval-de-Montreal, and St. Michel, They have an assessable value of $856,426,598 and a net bonded debt of $111,568,407.

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An English Manufacturer's Guarantee

In Canadian Corporation financing there has never been a stronger guarantee of payment of principal and interest on a Bond than that of Sir W. G. Armstrong, Whitworth & Co. of England's unconditional guarantee of the principal and interest on the 6½% First Mortgage Bonds, due 1943, of its Canadian subsidiary, Charles Walmsley & Company (Canada), Limited.

Armstrong, Whitworth & Co.'s total net assets are more than $56,000,000, and as their net earnings in 1921 alone (not a war year) were more than $2,000,000, and as the annual interest charges on $1,000,000 Bonds of Charles Walmsley & Company (Canada), Limited, amounts to but $60,000, it is quite obvious that the English guarantee is based upon the most substantial foundation.

Charles Walmsley & Co. operate in England the largest and most successful plant in the world for the manufacture of paper-making machinery. They are now building a plant in Canada, at Montreal, and expect to have it in operation by the 1st of June.

The gigantic paper-making machines of Charles Walmsley & Company are used all over the world. They are masterpieces of that type of perfect machinery for which England is famous. They also make grinders, turbines, and other accessory machinery.

This business is as fundamental and as necessary to Canada's pulp and paper industry as pulpwood.

But, above and beyond all, there is the guarantee of the great English firm of Sir W. G. Armstrong, Whitworth & Company that the interest and principal shall be paid as it becomes due.

We offer these Bonds in denominations of $1,000 and $500, at the price of

97¼ and accrued interest, to yield 6¼%

We consider these Bonds the best buy of the kind on the Canadian market. Send us your orders, or write for a prospectus.

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MONTREAL 40 HOSPITAL ST.

NEWS AND VIEWS ABOUT BONDS

CUT IN ESTIMATES SMALL AS FACTOR FOR LOWER TAXES

Fact Stands Out that Railways Are Still Putting Us Behind

From Our Own Correspondent.

MONTREAL. — Mr. Fielding's estimates for the fiscal year of 1923-1924 have so few striking features about them that business men found little for comment. They call for the expenditure of a large sum of money —equal to the total national debt of Canada prior to the war—and while there is some decrease from the estimate of the previous year it is but a small step towards a reduction in the national debt.

The difference between the main estimates of 1922-1923 and the main estimates of 1923-1924 is just under $40,000,000. From this saving improvement in the conditions of the railways accounts for slightly over $23,000,000. This is a large sum of money and the fact that the railways are going to cost the country $23,000,000 less in the next year than in the past year is undoubtedly reason for gratification. But even this comfort is small. It is anticipated that the railways will go behind another $75,633,469. It is possible that some of this will come back to the country in the future when certain advances in railways may be again charged as a deduction from the national debt, but most of it has gone into the pot from whence no dollar returneth.

Lower Taxes Not Likely

The estimates hold out little hope for a reduction in taxation. On the other hand, if a serious attempt to reduce national indebtedness is made, business men must expect that all of their present taxes with minor modification will be continued. Such comfort as they can get from a knowledge of the fact that British taxes are on a much higher level will have to serve in lieu of a reduction in taxation in Canada. The statement of W. D. Trethewey, the Cobalt millionaire, who has been living in England, that he intends to come to Canada where he will not be taxed to death, calls attention to the difference in the income taxation of the two countries.

The largest item in the national expenditure is interest on the national debt, and during 1923-1924 this will take about $135,000,000. Only one way is open to reduce this amount, which takes almost one-third of the national revenue, and that is a reduction in the national debt itself. During the present year the government will have maturing bonds of the 1918 Victory Loan and while there are on hand certain sums in excess of that required to meet the 1922 maturities, further financing will undoubtedly be necessary during the present year. Incidentally, Mr. Fielding's statement of the total conversion of 1922 bonds into the refunding issue was of interest in that it confirmed THE FINANCIAL POST'S forecast that the conversion would run well over the hundred million dollars previously given as the amount. The actual figure was approximately $114,000,000.

Those Railway Advances

Next of importance in the estimates was the item of advances to railways to put them into proper operating condition—that is the Grand Trunk Railway, Canadian Northern Railways, and other units in the Canadian National System. The advances cover much more than improvements and include sums to cover operating deficits and fixed charges. The controversy between Sir Henry Thornton and the Board of Railway Commissioners as to the real amount of the deficit on the Canadian Northern Railways last year may be significant but the facts themselves are of little importance. The difference of a few millions either way is a matter of small importance when the gross deficits run to such large sums as were reported this week. Despite the fact that the Grand Trunk had a net operating surplus of $9,266,000, the net operating deficit on the Canadian Northern, Canadian Government Lines, Grank Trunk Pacific and Grand Trunk was given by the Board of Railway Commissioners as $1,596,000. Sir Henry claims that the figures are erroneous and that there was a net surplus of $3,000,000. But adding the fixed charges which cannot be neglected in that they are the big source of drain upon the money bags of the Dominion, the total deficit during the year 1922 of the Canadian National Railways amounted to $56,942,000.

The main estimates for the fiscal year which begins on April 1st next call for an appropriation totalling $427,511,235 as against $466,983,359 last year. The difference is $39,472,124. In addition to a saving on the National Railways there are reductions in Canadian Government Merchant Marine deficits; pensions; soldiers' settlements, and similar items.

Jarvis & Co. Offer British Bond Issue

Messrs. Aemilius Jarvis and Company Limited are offering a new issue of $500,000 Clyde and Sissiboo Pulp Company Limited, 6½% First Mortgage 20-year Sinking Fund Gold Bonds. These bonds are unconditionally guaranteed both as to payment of principal, interest and sinking fund by Messrs. Becker and Company Limited, of London, England, whose business is the largest of its kind in the world, being merchants, manufacturers, and importers of wood pulp and other raw material used in the manufacture of paper. The guarantor holds controlling interests in subsidiary companies operating in France, Italy, Norway, Sweden and United States with agencies in the Argentine, Brazil, Mexico, China and Japan.

Manitoba Government Levies Business Taxes

Explaining the deficit of $1,346,182 for the past year, forecasting a deficit of $1,151,090 for the present year, and announcing new taxation which by 1924 will mean an added burden of $2,000,000 per annum, Hon. F. M. Black, Provincial Treasurer of Manitoba, made his first Budget speech.

Revenue estimated at $325,000 is expected to result from new taxes, effective this year, on gasoline, trading in futures and on aerated waters and other beverages.

Mr. Black announced the Government had decided to enact income tax legislation to be collected in 1924 on incomes earned this year. The expected yield of this tax is $1,000,000, which would make the total new revenue in 1924 about $2,000,000.

WINNIPEG ELECTRIC BORROWS $3,250,000

Nesbitt, Thomson & Co., Head Syndicate Offering New Issue of Company

From Our Own Correspondent.

MONTREAL. — To capitalize current borrowings for expansion, and for other corporate purposes, the Winnipeg Electric Railway Company is borrowing $3,250,000. Bonds to this amount are being offered in Canada by Nesbitt Thomson and Co., and in the United States by Kissel, Kinnicutt and Co., Spencer, Trask and Co. and E. H. Rollins and Sons. The bonds rank as general mortgage and collateral trust bonds, bear 6 per cent. interest, mature in 20 years and are offered at 95 to yield the investor 6.50 per cent.

The bonds are secured by a direct mortgage lien upon the company's properties now owned or hereafter acquired and by deposit with the trustee of 200 per cent. (£1,343,000) 4½ per cent. Perpetual Consolidated Debenture Stock of the company which is secured by direct mortgage charge upon the entire properties of the company now owned or hereafter acquired, subject only to $5,000,000 of prior lien bonds (of which $503,500 are held in the sinking fund) a sufficient amount of the debentures being reserved to refund said prior lien bonds. An additional £900,000 is in the hands of the public and listed on the London Stock Exchange. This collateral has a present market value equal to over 135 per cent. of the principal amount of this issue of bonds.

The total debt of the company, including this issue of $3,250,000 General Mortgage and Collateral Trust 6 per cent. bonds will be $12,630,000 against a net property value of $23,187,915 after deducting depreciation of $4,153,508.

Net income is given as two and a half times interest charges, including present issue.

Of the total issue of $3,250,000, bonds to the amount of $815,000 are being offered in Canada. The remainder is for the United States market.

GRAIN GROWERS LOST IN FINANCIAL FIELD

The venture of the United Grain Growers into the field of finance through the United Grain Growers' Securities Company, has been no more successful than other ventures of the company in highly specialized business where experience and training are absolutely necessary to that efficiency which means profits. The annual report of the company for 1922 admits that the securities concerned sustained a loss but the amount is not definitely shown. Referring to the year's experiences, the report says:

> The operation of the United Grain Growers' Securities Company, Limited, resulted in a loss for the year. While the company has done a little business of a trustee character, its main business has been confined to two branches Land Commission and Insurance Of these the Land Commission branch has never paid and is the principal cause of the loss shown in the operations for the present year. It takes some time to build up an insurance business, but the progress in this branch of the work has been satisfactory, and had it not been for the losses in the land end of it, the whole, considering conditions, would have shown a satisfactory result on the year's operations. When the Land Department was undertaken it was with a view of assisting incoming settlers to get placed on the land at as reasonable costs as possible, and securing a connection with them for the future. As stated at the last annual meeting, the directors had reached the conclusion that it was not a useful part of the company's activities, and it has been dropped. There is no reason why the business as now conducted cannot be built up steadily, but it must be upon sound, solid lines.

N. Y. AND LONDON WILL BOTH SEND FUNDS TO CANADA

Should Be Friendly Competition To Benefit Canada

From Our Own Correspondent.

MONTREAL. — Recent indications of a renewed flow of British capital to Canada were the sale of a part of both the St. Maurice and Price Brothers bond issues in London. At the same time about half of the total amount of each issue was sold in the United States, while Canadians participated to a large extent in each issue. This is an unique and significant situation, when capital for a single industrial enterprise is drawn from the two great money markets of the world at the same time that Canadians are investing in it heavily.

There has been some discussion as to whether London or New York would become the money market from which Canada would borrow the largest amount of its funds needed for industrial and commercial development. Probably the best suggestion as to what is likely to happen is that contained in the Agricultural and Industrial Bulletin of the C. P. R. It believes that British money will shortly be coming back in its old volume; that United States investment will not fall off but rather that the two will come into good-natured competition. "From the combination," says the bulletin, "Canada should receive an unprecedented development."

Says the bulletin:

> The year 1922 set up a new record for American investment in Canada. The total Canadian bond sales in the United States was over $261,000,000 or $37,000,000 in excess of the previously highest figure reached in 1920. Add to this investments of a general nature other than those represented by the sale of bonds and it would not be difficult to account for well on to $300,000,000. Only once, in 1913, has Canada received a larger amount of outside capital within a year, when the total value of Canadian bond sales in the United States and Great Britain was $327,000,000, or approximately but $60,000,000 more than the sales in the United States alone in 1922.
>
> This illustrates in a very illuminating manner the change that has taken place in the currents of finance insofar as Canada is concerned, and how the reservoir of American wealth became available to Canada so soon as supplies from Great Britain were cut off. As an evidence of the change which has taken place, it may be noted that during the period 1908-1914 inclusive the total of Canadian bond sales in the United States was only $173,000,000, or $90,000,000 less than the aggregate for 1922.

Many U. S. Firms Here

It is pointed out that there are now between 1,100 and 1,200 Canadian branches of American firms in Canada, where there were only about 700 in 1919.

Regarding British capital, the statement is made:

> "All indications combine to suggest a re-entry of British capital on a large scale into Canadian development in 1923. The vanguard arrived in 1922 and there has since been a brightening of conditions in the United Kingdom. The emersion from the depression in the British Isles has been accompanied by a strong desire to strengthen the trade ties with the Dominion and material conditions already evidence this aas far as Canada is concerned. Not only may a greater amount of capital be invested in Canada from the British Isles this year but the greater establishment of branch plants be looked forward to with confidence. In the opening days of the year came the announcement that three British grain brokerage houses would open branch plants in Vancouver.
>
> "Before the war the capital instrumental in fostering most Canadian development was overwhelmingly British. During the war and since, British capital has stood still and American capital increased so that at the last computation it was estimated that the United Kingdom had about two and a half billions of dollars in Canada and the United States two billions, making it merely a matter of time under present conditions before United States money should equal that of the British Isles and pass it in occupying the first place in Canadian development. There is no doubt but that in the readjustment of conditions, including the strengthening of sterling, British money will come back to Canada in its old volume. There is no reason to expect that United States investments will ever fall off, but the two come into good-natured competition. From the combination Canada should receive an unprecedented development."

The United Financial Corporation are participants in the underwriting of an issue of $25,000,000 Dutch East Indies. 5½% bonds, due March 1953, principal and interest payable in New York. The price is 88 and interest, New York funds, yielding 6.40%. If called in 10 years the yield will be 7.20%.

BOND MOVEMENTS OF THE WEEK

Week Ending February 20

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range High	1923 Low	Latest Ask	Price Bid	Week High	End Low
Asbestos	6	1942	7.06	100	76	88¾	87½	—	89	88¾	—
Bell Telephone	5	1925	5.25	98	94	99¼	97¾	99½	98¾	99¼	99
Canada Bread	6	1941	6.17	99	88½	98	96	—	97	98	—
Can. Car	6	1939	6.00	101	95	100	99	—	99	100	99¾
Can. Cement	6	1929	6.00	100½	94	101	100	—	100½	100	—
Can. Locomotive	6	1951	6.12	100¼	87	98¼	96½	—	96½	98¼	98
Calgary Power	5	1940	7.20	72¼	72¼	78	75⅞	76	—	78	—
Ced. Rapids	5	1953	5.23	97½	93	96½	95¼	—	96½	96½	—
Dom. Textile	6	1925	6.10	100	98	100	99¾	100⅜	—	100	99¾
Lyall Cons.	6	1932	7.50	85	75	89½	85	89½	—	89½	—
Montreal Trams.	5	1941	5.73	93½	87½	92	89¼	—	88¼	91½	—
Ogilvie (B)	6	1932	5.66	102½	100	102½	102½	102½	—	102½	—
Do., (C)	6	1932	5.66	102½	100	102½	102	102½	—	102½	102
Quebec Rly.	5	1939	8.02	87¼	63½	74	69	—	73	72½	72
Sher. Williams	6	1941	6.06	100	96	100	99	—	99	100	99
Wayagamack	6	1951	7.32	88¾	71¾	84¼	80¼	—	83½	84¼	83⅝
War Loan	5	1925	4.68	96.30	96.10	100.80	99.10	.....	100.90	100.80	100.45
Do.,	5	1931	4.89	99.90	96.25	101.30	99.80	.....	100.80	101.00	100.50
Do.,	5	1937	4.76	101.50	99.50	102.60	101.25	102.80	102.60	102.60	102.30
Victory	5½	1923	5.19	100.70	98.75	100.95	100.30	100.70	100.50	100.70	100.30
Do.,	5½	1924	5.12	100.75	98.00	101.40	100.25	101.00	100.70	101.00	100.45
Do.,	5½	1927	4.84	102.70	99.75	103.00	102.35	.....	102.90	103.00	102.35
Do,	5½	1933	4.81	104.35	101.25	106.70	104.40	106.00	105.85	106.30	105.30
Do.,	5½	1934	5.16	101.45	98.80	103.90	101.30	103.10	102.70	103.90	103.20
Do.,	5½	1937	4.76	106.25	103.00	108.15	106.50	.....	107.85	108.15	107.60
Do., Ren.	5½	1927	4.98	101.10	99.40	102.60	101.00	102.50	.....	102.45	102.25
Do., Ren	5½	1932	5.21	101.10	99.70	103.00	101,00	102.50	102.25	102.80	102.50

Wm. Davies Co., Inc.
6% First Mortgage Bonds
Due 1st November, 1942
Price: 99 and interest,
Yielding 6.09%.
R. C. MATTHEWS & CO.
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BOND DEALERS
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WE shall be pleased to quote you for the purchase or sale of Government and Municipal Bonds and high grade Corporation Securities.

R. A. DALY & Co.
BANK OF TORONTO BUILDING
TORONTO

CHARLES WALMSLEY & CO.
(of Canada,) Limited
6% First Mortgage Bonds unconditionally guaranteed both as to principal and interest by
Sir W. G. Armstrong Whitworth & Co.
of England
Due February 1, 1943.
Price 97¼ and interest
yielding about 6¼%.
MURRAY & COMPANY
Continental Life Building
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BURNETT, PORTEOUS & CO.
STOCK & BOND BROKERS.
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Charles Walmsley & Company
LIMITED (CANADA)
6% First Mortgage 20-year Bonds
Price 97¼, Yield 6¼%

JOHNSTON AND WARD
14 King Street East, Toronto
Members: Montreal Stock Exchange, Toronto Stock Exchange

Safety with earnings

With the whole province of Ontario for security and earnings at the rate of 5.20 per cent. what better investment could be asked?

The factor of safety combined with a good rate of interest is the kind of investment which should appeal to the most prudent.

Province of Ontario 5½% Bonds
Maturing 1st Dec., 1942.—Interest payable 1st June, 1st Dec.
Price $103.70 to yield 5.20%

Municipal Bankers Corporation
LIMITED
34 King Street, East. Toronto
Telephones- Main 3901-2-3

Galloway, Cleary and Co.
STOCK AND GRAIN BROKERS
Members of Winnipeg Grain Exchange
PRIVATE WIRE to all CANADIAN and AMERICAN MARKETS
VICTORY BONDS bought and sold for cash or on the market
CASH GRAIN AND OPTIONS
INSURANCE, LOANS AND FARM LANDS
Westman Chambers, Regina. Phones 8316-8317

NEW ISSUE

$500,000
Clyde & Sissiboo Pulp Company
Limited

First Mortgage 6½% 20-Year Sinking Fund Gold Bonds

Guaranteed Unconditionally both as to Principal and Interest by
Messrs. BECKER & COMPANY, LTD.
of London, England

The Guarantor's business is the largest of its kind in the world, being merchants, manufacturers, and importers of wood pulp and other raw materials used in the manufacture of paper, and controls subsidiary companies operating in France, Italy, Norway, Sweden, and the United States.

Principal and semi-annual interest (1st of February and 1st of August), payable at the Royal Bank of Canada, Montreal, Toronto, Halifax or St. John, or at the option of the holder in United States Currency at the Agency of the Royal Bank of Canada, New York. Coupon Bonds in denominations of $1,000 and $500, with the privilege of registration as to principal only.

Trustee: THE ROYAL TRUST CO., Montreal.

CAPITALIZATION

	Authorized	Issued
6½% First (Closed) Mortgage Bonds, due 1943	$1,000,000	$500,000
Common Shares	750,000	750,000

BUSINESS and PROPERTY: The Company owns and operates two up-to-date, well-equipped groundwood pulp mills, having a capacity of 13,000 tons per annum, as well as 24,361 acres of freehold and 44,936 acres of leasehold timber land in Nova Scotia. It has the right to cut pulpwood over a further 10,165 acres. All limits economically located for logging operations.

MARKET: The Company's entire output over a period of twenty years is sold under contract with Becker & Company, Limited.

GUARANTEE: The Principal, Interest and Sinking Fund of this issue of Bonds are guaranteed unconditionally by Becker & Company, Limited, of London, Eng., whose business is the largest of its kind in the world. They are merchants, manufacturers and importers of wood pulp and other raw materials used in the manufacturing of paper. The Guarantor holds controlling interest in subsidiary Companies operating in France, Italy, Norway, Sweden and United States, with Agencies in the Argentine, Brazil, Mexico, China and Japan, and had a turnover of more than £6,700,000 sterling in 1921. They also operate their own fleet of steamers. Dividends have been paid on the Guarantors' Capital Stock at the rate of 15% per annum for the past six years, and its guarantee of these Bonds ranks prior to its share capital dividend.

EARNINGS: Average annual net earnings of the Guarantor for the six years ending March 31st, 1922, available for the purpose of this guarantee, amounted to more than ten times bond interest requirements on this issue. Profits from The Clyde & Sissiboo Pulp Company, Limited, since they were acquired by Becker & Company, Limited, over three years ago, have averaged $78,000 per annum, an amount equal to more than twice Bond interest requirements.

PRICE: 100, and accrued interest to yield 6.50%

Æmilius Jarvis & Co.
LIMITED
Established 1891
Ottawa
New York
293 Bay St.
Toronto
Montreal
London Eng.

The statements contained in this circular have been obtained from competent engineers, appraisers, accountants and other reliable sources and, while not guaranteed, have been the basis on which we purchased these securities.

CIVIC AND PROVINCIAL FINANCE

CLOSE BIDDING MARKED TENDERS ON BOND ISSUES

Twenty-two Firms all Within One Point Range on One Offering

The bonds market during the past week continued to display good strength under a steady demand. Some of the Victory issues moved to new levels. Municipal offerings were limited but those placed were marked by some very close figuring on the part of the various bond houses. This was very true of a Newmarket issue which drew bids from some 22 houses, all within one point range.

HULL SCHOOL BONDS

R. C. Matthews and Co. were the successful tenderers for a $100,000 issue of Hull School Commission 5½% bonds, due 1952, at 100.16, a cost of approximately 5½. There were a number of other bids but Matthews was the only one over par. The bids were:

R. C. Matthews & Co.	100.16
Dyment Anderson	99.375
Municipal Deb.	99.11
McLeod, Young, Weir	98.37
Macneil, Graham	98.07
C. H. Burgess & Co.	98.03
Credit Canadiene	97.50
Wood Gundy	95.31

ST. LAMBERT ISSUE

St. Lambert bonds to the amount of $350,000, 5½%, 30 year, were sold to Dominion Securities Corp. at 100.097. Bids were:

Dominion Securities Corp.	100.097
Municipal Debentures Corp.	99.14
A. E. Ames & Co., National City Co. and Wood, Gundy & Co.	98.639
Credit Canadien	98.
A. Richard	97.99

QUEBEC BONDS

City of Quebec accepted the tender of National City Company, Aemilius Jarvis & Co., and A. E. Ames & Company, of 96.26 for $1,872,000 Quebec City 30-year bonds, at 5 per cent. The city called for tenders for ten, fifteen and thirty-year bonds, as well as for 37-year serial bonds. The decision was to accept the highest price for 30-year bonds.

Tenders:

National City Co., A. E. Ames & Co. and Aemilius Jarvis & Co. 10-yrs. 97.23, 15-yrs. 96.87, 30-yrs. 96.26, 37-yrs. (ser.) 96.56.

Gourdeau & Garneau, Inc., Wood, Gundy & Co. and Rene T. Leclerc, Inc. 10-yrs. 96.79, 15-yrs. 96.18, 30-yrs. 95.11, 37-yrs. (ser.) 95.64.

Mackenzie & Kingman, Aird, McLeod & Co., Mcneil, Graham & Co., Geo. Beausoleil & Co. and C. H. Burgess & Co. 10-yrs. 96.61, 15-yrs. 96.11, 30-yrs. 95.15, 37-yrs. (ser.) 95.13.

Gairdner, Clarke & Co. and Nesbitt, Thompson & Co. 10-yrs. 96.59, 15-yrs. 96.21, 30-yrs. 95.57, 37-yrs. (ser.) 96.46.

R. C Matthews & Co., McLeod, Young, Weir & Co., R. A. Daly & Co., L. G. Beaubien & Co., Credit Anglo-Francais, Ltd., and Newman, Sweeney & Co., 10-yrs. 96.87, 15-yrs. 95.77, 30-yrs. 95.07, 37-yrs. (ser.) 95.41.

Dominion Securities Corp., Harris, Forbes & Co. and Hanson Bros. 10-yrs. 96.355, 15-yrs. 06.132, 30-yrs., 95.59, 37 yrs. (ser.) 95.16.

Municipal Deb. Corp. 10-yrs 95.49, 15-yrs. 94.47, 30-yrs. 94.23, 37-yrs. (ser) 92.81.

NEWMARKET BONDS

There was rather close bidding after an issue of $94,000, 5½%, instalment bonds of Newmarket, payable in 15 annual instalments, and which were awarded to the Dominion Securities Corporation at 100.13. The lowest bid was 99.221 or less than one point between the high and the low.

The bids were:

Dominion Securities	100.13
Housser, Wood & Co.	100.13
Macneil, Graham & Co.	100.08
Royal Securities	99.89
Municipal Bankers	99.78
McLeod, Young, Weir & Co.	99.75
C. H. Burgess & Co.	99.73
R. A. Daly & Co.	99.69
Wood, Gundy & Co.	99.687
Stewart, McNair, Reid & Co.	99.64
Bain, Snowball & Co.	99.581
Murray & Co.	99.58
Bell Gouinlock & Co,	99.53
A. E. Ames & Co.	99.44
Nesbitt, Thompson & Co.	99.43
Harris, Forbes & Co.	99.43
Gairdner, Clarke & Co.	99.42
R. C. Matthews & Co.	99.37
A. Jarvis & Co.	99.31
Canadian Debentures Cor.	99.26
Dyment, Anderson & Co.	99.23
W. C. Brent & Co.	99.22

LONDON ISSUE

Wood Gundy & Co. have made a purchase of $417,000 of City of London 5½% bonds at 100.60 to yield 5.39%. These bonds are the balance of a ten-year issue. The same firm purchased the first offering. The bids were:

The sale was by private tender and Wood Gundy were the successful bidders. It is understood that Nesbit Thompson, Gairdner, Clarke & Co., and Dominion Securities were also asked for bids.

DAUPHIN ISSUE

Dauphin, Man., yesterday sold $90,000 of 6½ per cent. five-year bonds to McDonagh, Sommers & Co., at 98.277, a cost basis of 6.90 per cent. The bids were:

McDonagh Sommers & Co.	98.277
A. E. Ames & Co.	97.50
Bond & Debentures Corp.	96.

WINNIPEG SINKING FUND EARNS PROFIT

In 1922 Earned $379,352 to be Applied to Retiring Loans Before Maturity, etc.

City of Winnipeg sinking fund is a very profitable institution. Managed as it is by a board of trustees comprised of very capable business men it yearly returns a surplus income to the city. During the year ending December 31, 1922, this surplus income amounted to $349,966 representing excess earnings above the amount required for the sinking fund itself. This was sufficient to pay total administration and general expenses and also to write more than $32,000 off investments purchased during the year. This is due to the policy of the trustees to write down to par value all investments purchased at the premium and to include at cost investments purchased at a discount.

There is a net sum transferred to surplus income of the account of $300,064 and together with the balance as at January 1, 1922, of $79,287, left a net surplus for the year of $379,352.

Of this, $50,000 was transferred to the investment reserve which now totals $460,000. A further $100,000 was transferred to the City of Winnipeg pension fund and $149,654 went to retire before maturity stock issued for general improvement. This left $79,698 to be carried forward.

Further remarkable evidence of the power of a good civic sinking fund is contained in the full annual report of the Winnipeg sinking fund trustees which is well worth the scrutiny of every one interested in sound municipal finance.

Charles Walmsley & Co. Operating at Longueuil

From Our Own Correspondent.

MONTREAL.—Formal announcement is made by Armstrong, Whitworth of Canada Ltd., that the assets and undertakings of the company has been taken over by Charles Walmsley & Co. Ltd., and in future business will be done under this name. It is stated that the Longueuil works of the company are being specially equipped with modern machinery for the manufacture of machinery required for hydraulic power and the manufacture of pulp and paper. This follows the recent financing of the Charles Walmsley & Co. firm.

PATERNALISM RUNS UP PUBLIC EXPENSE

Alberta Government Will Complete Financial Year With Considerable Deficit

EDMONTON.—That a deficit on the Alberta government's business for 1922 will be reported to the legislature by Premier Greenfield, who also holds the portfolio of provincial treasurer, is certain. The amount is likely to run in the neighborhood of $1,750,000. The revenue for the year had been estimated at something over $27,000,000, of which about one-half was to come from taxation and other forms of local income. Tax receipts, however, did not come up to this figure, while at the same time some of the departmental services over-expended. A detailed statement of the controllable and uncontrollable expenditures of the province has been prepared by Mr. Greenfield for the consideration of the House.

Nevertheless, better reports than for the preceding year have come from some of the departments. In the Department of Municipal Affairs, for instance, payments on educational, wild lands and supplementary revenue taxes were $2,019,921, as compared with $1,886,627 in 1921. The sum total of all tax payments, however, though ahead of the year before, was considerably less than the amount estimated, and this shrinkage accounts for a good part of the net deficit.

Economy in administration seems to be the only solution of the problem that the government has in sight, and as a step in that direction it is a foregone conclusion that all government relief work, seed grain advances and the like will be cut down this year to almost a vanishing point. At this writing a statement of government policy on the matter is expected shortly.

Ontario Had Surplus Of Over a Million

The public accounts for the province of Ontario for the fiscal year ending October 31, 1922, indicate a surplus of $1,064,325.26.

Ordinary expenditure showed an increase of slightly under $9,000,000, but ordinary receipts more than kept pace. The latter totalled $38,507,311, and the former $37,442,985. The figures for the previous year were $29,261,477 and $28,579,687.

The grand total expenditure for the year is given as $131,964,096, as compared with $119,405,475.

A summary of the accounts as prepared by the Treasury Department is as follows:

	1922
Total ordinary receipts	$38,507,311.09
Total ordinary expenditures	37,442,985.83
Some of the larger increases in ordinary expenditures over previous year:	
Administration of justice	$ 456,668.93
Education	1,732,392.91
Labor department	1,206,124.20
Hospitals and charities	306,215.99
Statutory expenditure	5,188,767.16
Some of the larger increases in ordinary receipts:	
Subsidy	$ 369,350.20
Interest	58,338.10
Motor vehicles	532,069.77
Succession duties	1,701,434.18
Corporation tax	2,541,887.44
Amusement tax	47,265.86
T. & N. O. Rly.	400,000.00
Land transfer tax	358,608.78
Lands and forests	335,451.50
Hydro-electric Commission interest	1,403,638.48

Tenders and By-Laws

TENDERS WANTED

Feb. 26, Regina.—$12,000, 6%, 10-year school debentures. J. H. Cunningham, Secretary.

Feb. 28, New Toronto.—$49,000, 6 per cent., 15 and 20 year bonds. W. E. Davision, Treasurer. (See announcement elsewhere in this issue.)

Feb. 26, Sherbrooke.—$50,000, 3½% 40-year sinking fund bonds; $125,000, 5%, 30-year bonds. E. C. Gatieu, Sec.-Treasurer.

DEBENTURE NOTES

Ottawa.—The City will make application to the legislative assembly for an act authorizing the municipal corporation to raise debentures to the amount of $235,000 for various purposes.

Brantford.—Application will be made by the city at the forthcoming session of the legislature for an act to enable the council to provide for an issue of debentures to the amount of $335,000 for the construction of a new bridge.

SASKATCHEWAN

List of authorizations granted by the local government board from Jan. 13th to February 10th.

Schools.—Happy Home, $3,000; Hummingbird, $2,200; Warminster, $1,000.

Telephones.—Ebenezer, $3,600; Wiseton, $400.

Village.—Lintlaw, $1,500.

Town.—Broadview, $3,000.

List of debentures sold from January 13th to February 10th.

Schools.—Scala, No. 2712, $1,000, 15-yrs., 7½%, Cross & Co., Regina; Lynwood, No. 4494, $1,700 10-yrs., 8%, Regina Brokerage & Inv. Co.; Thring, No. 963, $3,100, 15-yrs., 8%, Nay & James, Regina; Ferndale, No. 295, $4,500, 20-yrs., 7%, Regina Public S. D. No. 4.

Telephones.—Star City, $2,600, 15-yrs., 7½%, Cross & Co., Regina; Ebenezer, $3,600, 15-yrs., 7½%, J. Burnett & Co., Regina; S. Prince Albert, $2,000, 15-yrs., 7%, Cross & Co., Regina.

Village.—Imperial, $1,100, 10-yrs., 8%, Locally.

Town.—Gravelbourg.—$3,000, 10-yrs., 7%, Cross & Co., Regina.

We offer
DOMINION STORES, LIMITED
8% Cumulative Class "A" Preferred Shares
Price: 100.00, Carrying a 25% Bonus of Common Stock.
This Company is the largest retail distributor of groceries in Canada, operating 190 stores. Plans call for over 50 new stores in 1923.
Sales in 1922 increased over 47 per cent. and earnings over 72 per cent.
Dividends paid regularly on preferred shares, and common now paying $1.00 per year.
Chain stores have proven an exceptionally profitable investment, and we strongly recommend these securities.
A special circular we have prepared will be mailed upon request.

HOUSSER WOOD & CO.
INVESTMENT BANKERS
10-12 KING ST. E. TORONTO

We deal in—
Wayagamack 6's.. 1951
Windsor Hotel 6½'s.... 1943
St. Maurice Power 6½'s.... 1953
Montreal Public Service 5's.... 1942
Montreal Public Service 6½'s 1924
Montreal Tram Power 6½'s 1924
Manitoba Power 7's 1941
Also Bonds of Provinces and the larger Canadian Cities

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED [illegible])
12

ATTENDU ENGINE

We accept orders for purchase or sale of Attendu Engine stock (Eastern Engineering Company Limited).

Telephone Main 2998

Phoenix Securities
Corporation Limited
152 St. James St., Montreal.

Parish of Sacred Heart Bond Issue of $200,000

From Our Own Correspondent.

MONTREAL.—In the province of Quebec, bonds issued by the Roman Catholic parishes rank high as investments because they form a charge upon all property of Roman Catholics in the issuing parish. An issue of such bonds secured by the Parish of the Sacred Heart in Montreal has just been sold by the Municipal Debentures Corporation. The issue consisted of $200,000 of 6 per cent. ten-year bonds. The parish has the option of retiring the issue at the end of five years.

RAILWAY ORDERS START REVIVAL IN STEEL INDUSTRY

(Continued from Page 1)

prosperity is established. In this connection it is interesting to note that Professor Kemmerer, economics and finance, in Princeton University believes that the crest of the present business wave will not be so high as that of the last business cycle, and that it will probably be reached in the latter part of 1923 or the early part of 1924.

In the retail business there is no very marked improvement, although the public seems to be showing less disposition to seek bargains. Even in grocery lines, the recent development in the sugar market and the rise in tea are having a tendency to change the policy of hand to mouth buying, and create the impression that the time may be approaching when there will be an advantage in booking ahead.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
Feb. 19	Newmarket, Ont.	Dominion Securities Corporation	5½%	15-yr.	$94,000	100.13	5.48
Feb. 19	St. Lambert, Que.	Dominion Securities Corporation	5½%	30-yr.	350,000	100.097	5.49
Feb. 14	London, Ont.	Wood, Gundy & Co.	5½%	1926-31	417,000	100.60	5.39
Feb. 12	St. Jean, Que.	R. T. Leclerc & Co.	5½%	5 & 10 yr.	150,000	99.07	5.65
Feb. 15	Quebec City	National City Co. and Syndicate	5 %	30 yr.	1,872,000	96.26	..
Feb. 10	Sask. Schools and Phones				18,500	....	..
Feb. 20	Hull, Que.	R. C. Matthews & Co.	5½%	30-yr.	100,000	[illegible]	..
Feb. 20	Dauphin, Man.	McDonaugh, Somers & Co.	6½%	5 - [illegible]	[illegible]	[illegible]	[illegible]
		CORPORATION					
Feb. 15	Winnipeg Electric Railway	Nesbitt, Thompson and Syndicate	6 %	20-[illegible]	[illegible]	[illegible]	[illegible]

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Leading Life Company of the Dominion

Assurances in Force -	$630,000,000
Assets - - -	$170,000,000

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

LIFE INSURANCE FOR MEN OF AFFAIRS

Estates of any considerable value are subject to heavy death duties: Life insurance is the simplest method of providing for their payment. Have you set aside a policy to meet succession dues?
Business partners whose experience is vital to the organization require mutual life insurance protection. A heavy expense would be involved in replacing the ability of a deceased partner. Has your firm considered this?
Endowment policies can be secured to provide funds for meeting an obligation such as a mortgage loan, to mature at the end of a certain period. The premiums provide the necessary "sinking fund." Had you thought of this?
Policies can be secured that will pay monthly allowances to faithful employees whom you wish to remember and who you desire may remember you. Modern insurance is adaptable to every need.
Insurance sold on all approved plans at net cost.
The Mutual Life Assurance Company of Canada. Waterloo, Ont.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$78,000,000.00
POLICIES ISSUED FROM $500 TO $5000

G. E. BAILEY	W. H. HUNTER	G. R. COTTRELLE
Secretary	President	Treasurer

A BRITISH COMPANY
UNION INSURANCE SOCIETY OF CANTON
LIMITED
ESTABLISHED 1835
Fire - Automobile - Marine Insurance
TOTAL ASSETS OVER $40,000,000.00.
Head Office for Canada - 36 Toronto St., Toronto
C. R. DRAYTON, Manager for Canada

When selecting a Trust Company as an Executor choose one whose fixed policy is to give
FINANCIAL ASSISTANCE
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,212,725
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE, WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

5½% Interest Return
INVEST YOUR SAVINGS
in a 5½ DEBENTURE of The Great West Permanent Loan Company
SECURITY

Paid-up Capital	$2,414,668.00
Reserves	1,100,000.00
Assets	6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton
Vancouver Victoria Edinburgh, Scotland

FRED HAMILTON
REAL ESTATE
City, Farm and Suburban Homes.
We can give you anything you require.
Sun Life Building Hamilton, Ontario

ACME COAL & COKE CO., LIMITED
We have Pittsburgh No. 8 lump and slack coal, also a few cars of smokeless Mine-Run enroute, which we offer subject prior sale.
Wire for prices and car numbers. Adelaide 5562.
C.P.R. Building - Toronto

STEADY RECOVERY OF BRITISH TRADE

A Gradual But Substantial Recovery During the Year—An Important Barometer

British trade recovery both from war-time maladjustment and from the depression of 1921 is well under way, says Commerce Monthly, the magazine of the National Bank of Commerce in New York.

"British foreign trade has enjoyed a gradual but none the less substantial improvement during the past year. This fact is of significance because the commerce of the United Kingdom af-[illegible]sensitive indica-[illegible] of produc-[illegible] world. It is of particular interest to the United States, since Great Britain is our main foreign customer, taking not far from one-quarter of the total American exports and furnishing the principal market abroad for such important agricultural products as cotton, wheat and meats.

"The British balance of merchandise imports has been reduced to normal pre-war proportions and is again amply covered by items of income in the invisible trade balance. Imports of raw materials are increasing, and this not only evidences the recovery of industrial activity in the United Kingdom but provides a stimulus to trade in all those parts of the world whence supplies of cotton and wool, rubber, hides, metals, timber and other basic commodities are drawn. Finally the growth in exports of British manufacturers is a reflection of reviving demand in markets throughout the world, as well as an important factor in British industrial revival."

INSURANCE FOR BUYER AND SELLER

HOW SUN INVESTS ITS $174,000,000 OF TOTAL ASSETS

Most of it is in Bonds and in Stocks of Various Kinds of Companies

From Our Own Correspondent.

MONTREAL.—The investments of the Sun Life are always worthy of study because this company, the largest among Canadian companies, invests but a small extent in first mortgages on real estate, which in the case of most other companies comprises a very high percentage of the investment. The Sun Life has been able to achieve a fairly high rate of return on invested assets despite the few mortgages it holds. For the fifth consecutive year the company in 1922 achieved a gain in the average rate of interest earned on investments. The figures have been as follows: 1918, 5.64%; 1919, 5.68%; 1920, 5.76%; 1921, 6.06%, and 1922, according to the annual report just issued, 6.27%. The same report called attention to the long term of the securities which will carry this yield into the future.

During 1922 the Sun Life acquired the business and assets of two American companies and together with the natural growth of the organization has materially increased total net assets from $129,372,127 to $174,088,858.

Over 56 Per Cent. in Bonds

Of the total, 56% is now invested in bonds. In the case of the Sun Life a much higher total is invested in bonds outside the Canadian government and municipal field than in the case of any other company. Dozens of foreign governments and many industrial and public utility corporations are represented. The company also holds large numbers of preferred stocks and some common stocks. These common stocks have more than doubled in market value during the past year although the par value of the holdings has shown but a 50% increase. This is indicative of improved conditions in business during the year.

The division of assets of the Sun Life is shown below. The figures are as at December 31, 1922:

Percentage of Total Net Assets

	1921 %	1922 %
Bonds	57	56
Stocks, pref. & guar.	9	7
Other stocks	4	5
Mortgages	6	7
Real estate	4	3
Policy loans	13	16

Division of Assets

	Market Value 1921	Market Value 1922
Bonds	$75,648,000	$97,219,000
Stocks, pref. and guar.	12,444,020	13,639,000
Other stocks	4,872,000	9,445,000
Mortgages	8,073,000	12,784,000
Real Estate	5,676,000	5,631,000
Policy loans	16,567,000	26,579,000

Restrictions On Investments

The Dominion Insurance Act of 1917 permits investment of life insurance funds in government bonds and debentures and also in bonds of a company secured by a mortgage. In the case of "debentures," which may be distinguished from bonds in that they are not a lien on assets, these can only be purchased where a company has paid regular dividends on preferred and common stocks for at least five years prior to the investment.

In the case of preferred stocks the investment may be made if the company has paid dividends on preferred and common stocks for at least five years. Insurance companies may purchase common stocks that have paid at least four per cent. dividends for seven years or more prior to the purchase.

The Sun Life more than other Canadian companies has taken advantage of these rulings and has extended its investment field far beyond the narrower realm of municipal bonds and first mortgages on real estate.

C.S.A. Would Not Have Insurance Act Apply

The Commercial Travellers' Association has asked the federal government to relieve the organization from the necessity of complying with the amended Insurance Act of 1919, which calls on all organizations and societies having the insurance feature to be on a legal reserve basis by 1925. The travellers claim that their plan is a mortuary benefit system and not properly an insurance society.

New Directorate for Mt. Royal Assurance

From Our Own Correspondent.

MONTREAL.—Following the purchase by Great American Fire of a 95% interest in the Mount Royal Insurance Company, a new Board of Directors has been elected for the Canadian company.

The Great American Fire interests will be represented on the new Board by the President of the company, Chas. J. Smith, vice-president E. White, Samuel McRoberts and Arthur O. Choate. The Canadian members of the new Board are Hon. N. Perodeau, Hon. L. J. Decarie, Paul Rainville, E. A. Ouimet and P. J. Perrin.

While the Board at the moment is made up of nine members it is understood that arrangements are being made to increase the total board to fifteen and include other Canadians.

The rail mill of the Algoma Steel Corp. is on double shift, rolling rails for the Canadian National Railways. Most of the old staff of the corporation are back on the job. Altogether, 1,000 additional men have been taken on since the orders were issued to get the mill ready for active operations.

NEW LIFE COMPANY

Maritime Life is Organized With Head Office in Halifax

A new life insurance company has been organized in the maritime provinces with head office at Halifax, the Maritime Life. The Board of Directors includes J. T. Wilson, president and managing director; J. G. MacDougall, M.D.C.M., vice-president; W. A. Black; E. D. Farrell, M.D.C.M.; C. J. Burchell, K.C.; W. H. Dennis; F. G. Taylor, sec.-treas., and D. H. MacDougall.

The authorized capital is $500,000 divided in 5,000 shares of $100 each, and is offered at a $25 premium with the first call at $50, half premium and half principal. It is proposed to increase its capital to $1,000,000 and sell the entire issue at once. Though it can write both participating and non-participating insurance, the present policy is to confine business to insurance on the non-profit rates.

BAN INSURANCE COS.

Public Ownership Advocates of N. Y. State Seek Corner for Funds

The public ownership agitators in New York State seem to be in a bad way for something to agitate. They are now demanding that the Workmen's Compensation Insurance of the state be restricted to the state and other public funds and that stock and mutual companies be eliminated. It is being held that if the state is to meddle at all in the matter and make it compulsory upon employers to insure the risk of injury to their workmen, satisfactory provision for the carriage of certain very poor risks, which private corporations do not want and perhaps would not take, is necessary.

Business Insurance Policy Saved Big Nursery When Partner Died

This Form of Cover Has Come Into Common Use for the Protection of Various Enterprises—Especially in Partnership or When Business is in Hands of One Man

By RANDOLPH S. MORLEY.

In a flourishing town not far from Toronto there is a nursery second to none for size and value in British America. Briefly, this is how its great success was achieved: A well-known business man some years ago was induced to enter into partnership with a practical nurseryman, to care for the business end of the enterprise. There was a mortgage on the plant for $15,000, and the practical man had his life insured for $20,000 for the benefit of the business. The partnership was but two years old when he died. The bank suggested to the surviving partner that he secure a loan from the proceeds of the insurance policy to carry on with. He did. Today he says the policy saved the business. It paved the way to developing the business to its present leading position.

The man who today wilfully opposes the principles and practical adoption of life insurance as a necessary and the only certain protection to his family and his business, is lagging almost a century behind up-to-date methods of the present era. Instead of utilizing the best modern savings bank, which is made so secure by the laws of the country that it cannot fail, no matter how great the run upon his estate might be of creditors, he stupidly arrays himself in opposition to all the best and sanest thinkers of the times and proclaims himself still a member of that ancient congregation of timid old women who hoard their savings in a stocking-foot. A most glaring and unfortunate case of this kind eventuated in one of our well-known Ontario cities during the last few weeks:—

A representative of one of our largest Canadian insurance companies called upon an established firm of electricians and dealers in electrical supplies. Learning of their need of more protection to safeguard their interests and assuring himself of the joint partner's ability to carry it, the salesman endeavored to sell them a $50,000 business insurance policy to cover the inevitable loss attendant upon the death of either of the two partners. He encountered but little trouble in convincing the first member of the firm interviewed of the wisdom of his proposition, but although he placed it before him as clearly as possible and answered every possible objection by the most direct and exhaustive arguments, the other partner remained obdurate in his refusal to sign the application and the policy was not written. His pitiable lack of judgment and failure to realize the situation, however, became painfully apparent before many days had elapsed; during the same month the willing partner, who saw the advantage of insurance, fell ill with appendicitis and passed away within seven days, affording another proof that death is certain and the time of its occurrence uncertain, also that life insurance is the only means that has ever been devised for providing against it. The funeral over, the surviving partner was confronted with his lack of sufficient ready cash or convertible assets to settle with the family representatives of his deceased partner's estate. To do this and continue the business he was forced to borrow money and take in strangers as partners, upon their own hard terms, and he now owns but one-fifth of the business, whereas he would have been the sole owner had he taken the insurance protection when offered to him, thus shifting the responsibility of his financial burdens from his own shoulders to the incorporated life insurance company, with accumulated millions.

The possession of a good life insurance policy enables a business man to go forward confidently, day by day, in every way, growing better and better; it eliminates all fear that death may step in and leave his estate encumbered and his family embarrassed by debts. The surpassing value of such a policy as collateral security for a loan at the bank, credit for goods, the renewal of a note falling due, or an unpaid balance of a mortgage, is being more fully recognized every day. With it the man of good character and business ability need never lack financial assistance to tide him over a difficulty or a crisis; he can borrow from the insurance company, privately, without affecting his credit, should need become serious. If you are in debt, an insurance policy is the surest means of paying off all obligations, leaving your property and estate unencumbered to your wife and children, in the event of your death. And by making the proceeds payable to them, the law enables you to make certain that the insurance money will be theirs only, and not eaten up by hungry creditors.

MERCHANT LOCKED UP STORE DURING FIRE

Refused to Allow Removal of Goods—Collects Insurance in Full

A case of much interest from the standpoint of responsibility in connection with fire insurance was that of an Ontario merchant with whom a settlement in full was recently made by a mutual fire insurance company. This merchant locked his store during a fire to go to the help of owners of neighboring buildings and when it was seen that his building was doomed he refused to unlock the door to allow people to salvage the stock which was insured. Instead he is said to have given all his attention to the salvaging of household goods on the second floor which were not insured. He is reported to have told various persons who offered to help to let the stock go as it was insured.

In doing this it is contended that he violated a policy condition as it is provided that no assured may abandon the property insured but must use all reasonable effort to save the property from loss. If fire has occurred the insured must remove the remaining property to a safe place to keep it from further loss and possible damage by weather.

Fire Marshall Heaton, of Ontario, confirmed the facts as outlined. He has received a report from his representative who investigated the case and who stated that this merchant had purchased the building for $1,500 and then insured it for $3,000. Mr. Heaton stated that he had recommended against the full settlement of this claim because it was unfair to the insurance company. Insuring for $3,000 had been either representation or inefficient valuating by the insurance company.

The mutual insurance company thought it was entitled to some consideration but the merchant referred the matter to his solicitors and believing that if the question came into court the insurance company would be compelled to pay the claim and in addition have much publicity the company paid the full amount of the policy.

A Bakery Built Up From Insurance

The other week a well-known salesman for one of our largest Canadian life insurance companies dropped into a rather small but flourishing Ontario town and called at a first-class, modernly-equipped bakery establishment that would be a credit to any city. Meeting the executive head of the Company the salesman commenced to expatiate on the benefits of business insurance, when the proprietor escorted his visitor through the very attractive, up-to-date plant. "Now," said he, "this is the result of a life insurance policy for $1,000 on my life which I purchased in your company—years ago, when I was working as a journeyman for a weekly wage. When that endowment policy matured and was paid, I built myself a small house with the proceeds; a couple of years later I sold my house, making a good profit, and bought two more houses, which in turn I sold for enough money to enable me to build and open this factory, besides supporting my family, not quite five years ago. Needless to say the salesman walked out with another $10,000 business insurance application signed, and expects to write him up for a second $10,000 in April next.

Traffic receipts of the Grand Trunk Railway for the first week of February at $1,915,415, show an increase of $9,107 over last year's figures.

Business Life Insurance
Select the Plan That Fits You

PLAN A—$98.30 paid yearly will provide $10,000.00 in case of death during the next ten years.
PLAN B—$276.70 paid yearly will provide $10,000.00 in case of death during the next twenty years, or if living return you in cash all you paid in.
PLAN C—$575.80 paid yearly for three years will provide $10,000.00 in case of death during fifteen years, or if living return you $502.50 cash.

Age 35 rates used

M. W. SHEPHERD
38 King St. W., Toronto
3rd Floor Main 6492

British America Assurance Co.
Fire, Marine and Automobile Insurance
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. R. Meikle, President and General Manager; Wilfred M. Cox, Vice-President; Sir John Aird, Robt Bickerdike, (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton, (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.
Losses Paid Since Organization, over $52,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Losses Paid Since Organization
$84,000,000.00
BOARD OF DIRECTORS: W. R. Meikle, President, Wilfrid M. Cox, Vice-President, Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper, (London, Eng.) H. C. Cox, John H. Fulton (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major-Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,792,662.00
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

Assessment System
THE CANADIAN ORDER of CHOSEN FRIENDS
Good Features
A Government endorsed twenty-year paid-up plan.
Whole family life insurance, at Government standard rates.
The best sick and funeral benefits. Double sick benefits, by paying double rates.
An up-to-date child insurance department.
Further particulars gladly furnished by corresponding with
John L. Davidson,
Grand Councillor,
540 Euclid Ave., Toronto, Ont.
W. F. Campbell,
Grand Organizer,
Hamilton, Ont.
Wm. F. Montague,
Grand Recorder-Treasurer,
P.O. Drawer No. 349,
Hamilton, Ont.

Satisfactory Service Guaranteed
PRUDENTIAL TRUST COMPANY
LIMITED
Trustees. Executors.
Administrators,
Real Estate and Insurance,
Safety Deposit Vaults.
B. HAL. BROWN,
President and General Manager.
HEAD OFFICE
PRUDENTIAL TRUST BLDG.,
Montreal.
Branches throughout Canada and in London, Eng.

Motor Cycles for Cheap Transportation Abroad

The United States is keeping pace with the rest of the world in the rapid expansion of motor transportation, in spite of the fact that the per capita number of cars and trucks is now far in excess of that in any other country and has been for the last two decades. The world's combined total of passenger cars and motor trucks is 14,622,161, of which 12,357,376, or 84 per cent., are in the States. The motor trucks, numbering 1,763,378, account for only 12 per cent. of the total world registration; the remaining 88 per cent. consist of 12,858,783 passenger cars.

Motor cycles, with or without side cars, are taking the place of low-priced passenger cars in many foreign countries, especially in Europe, where the need for economy has made two-wheeled transportation popular.

Dominion Power and Transmission Company Limited

Head Office—Hamilton, Ontario

ANNUAL STATEMENT

For the year ending December 31st, 1922

Being a statement of combined results of operations of the Company and its Subsidiary Companies.

EARNINGS AND EXPENSES

Gross Earnings	$ 3,830,558.60	
Operating Expenses	2,810,923.86	
		$ 1,019,634.74
Bond and other interest	442,883.22	
New York Exchange	24,600.45	467,483.67
Surplus Earnings		$ 552,151.07

PROFIT AND LOSS ACCOUNT

Balance from 1921		$ 1,071,922.63
Surplus Earnings 1922		552,151.07
Bad Debts, etc., written off	$ 2,966.26	
Income Tax Paid	7,295.61	
Transferred to Depreciation Reserve	256,884.19	
Dividends	258,837.00	
Balance	1,098,090.64	
	$ 1,624,073.70	1,624,073.70

ASSETS

Properties	$23,686,620.57
Accounts Receivable	210,300.23
Stores on Hand	283,202.85
Cash on Hand	14,601.34
Cash in Trustees' hands for Account of Sinking Fund	1,372.08
Bonds purchased for Sinking Fund	46,494.92
	$ 24,242,591.99

LIABILITIES

To the Public.

Accounts Payable		240,727.66
Bond Interest Accrued		113,732.85
Insurance Accrued		61,782.87
Bank Overdraft		206,961.77
Bonds, including Sub. Corps.	$10,164,000.00	
Bonds, redeemed	1,687,000.00	
		8,477,000.00

To Shareholders.

Capital Stock, Cum. Pref.	3,681,100.00	
Ordinary	7,714,500.00	
		11,395,600.00
Dividends Payable 15th January, 1923		130,325.00
Reserve for Maintenance and Renewals		499,446.68
Reserve for Depreciation		2,006,884.19
Reserve for Inventory		12,040.33
Profit and Loss		1,098,090.64
		$ 24,242,591.99

On behalf of the Board, J. R. MOODIE, WM. C. HAWKINS, Directors.

Hamilton, Ont., February 2nd, 1923.

I have audited the books and accounts of the Dominion Power and Transmission Company, Limited, and also those of its various Subsidiary Companies, for the year ended December 31st, 1922, and have been furnished with vouchers for all expenditures. I have obtained all the information and explanations I have required, and in my opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

C. S. SCOTT, F. C. A., Auditor.

TO THE SHAREHOLDERS

The Company's Annual Reports for some years past have dwelt more or less on the adverse conditions resulting from the War, affecting the business of this Company and its customers. It is, therefore, a satisfaction to your Board to be able to say that a tendency towards improvement seemed to become more and more definite shortly before the middle of the year, and that although the process of recovery which had commenced has not been rapid, it has been steady. Beginning somewhat late in the year its effect on the business of the entire year may not be much in evidence, but the direction and extent of the improvement before the end of the year were very satisfactory.

The Company's railway properties have experienced very little relief in the serious problems affecting them. It seems difficult to secure the required alterations in the conditions under which they operate whereby they may be able to realize the value of the services they render the public. The Hamilton and Dundas Street Railway has been contemplating the necessity of going out of business, though an experiment in change of fares is in progress with a view to determining if this can be avoided. None of them, however, achieve nearly what they should as to earnings.

Bonds to the amount of $100,000.00 have been issued and bonds to the amount of $224,000.00 have been redeemed. The total of the Company's Reserve and Profit and Loss Accounts has been increased by the sum of $276,381.30, bringing that total to the sum of $3,616,461.84.

The usual statement of the results of the year's business, duly audited is submitted herewith.

Respectfully submitted, J. R. MOODIE, President.

WM. C. HAWKINS, Secretary.
Hamilton, Ontario, 19th February, 1923.

THE FOUNDATION COMPANY
LIMITED
ENGINEERS CONTRACTORS

DRUMMOND BLDG.,
MONTREAL

Hydraulic and Steam Power Developments
Industrial Buildings
Heavy Foundations
Dams and Bridge Piers
Underwater Construction

EAST'S PROGRAM OF BUILDING FOR 1923 WELL AWAY

Nineteen of Twenty-nine Cities in January Bettered 1922 Figures

WEST DECLINED

Western Cities Show Little Activity and This Pulled Down Gain as Shown in East

January launched 1923 building in the Dominion with an increase of $1,145,000 over the first month of 1922. The gain was confined to the East, where the increase in 29 cities amounted to $1,189,000. Sixteen Western cities showed a decline of $44,256, thus reducing the total of the whole Dominion.

Windsor had the distinction of leading the whole Dominion in the matter of gains, exceeding 1922 by $417,740. The report of the building inspector would seem to indicate that 1922 building was extra light and that 1923 was heavy. There was but one special permit in the half million total, a school calling for the expenditure of $329,000. Decreases on the part of Eastern cities were the exception and for the most part quite small. There were 10 declines to 19 increases.

Western Canada's record, however, shows that decreases were the order of the month. Prince Albert leads in increases with $5,000, because in January, 1922, there was no building whatsoever, while this year there was $5,000 worth initiated.

Victoria, with a decline of $18,000, leads the list of ten decreases of the 16 Western cities reported upon.

January's total building was valued at $3,861,000, compared with $2,716 in 1922.

The figures:

BUILDING PERMITS ISSUED IN JANUARY

Eastern Cities

	Jan. 1923	Jan. 1922	Change
Maritimes—			
Halifax ...	$25,580	$31,585—	$ 6,005
Moncton ..	350	15,950—	15,600
N. Glasgow	Nil	Nil	
Sydney ..	Nil	Nil	
Quebec—			
Montreal .	477,475	215,460+	262,015
Quebec ...	26,050	169,430—	143,380
Sherbrooke.	8,000	+	8,000
Westmount.	30,000	3,400+	26,600
Ontario—			
Brantford .	12,290	85+	12,205
Ft. William	14,800	7,750+	7,050
Guelph ...	12,600	8,130+	4,470
Hamilton .	141,400	106,090+	35,310
Galt	Nil	Nil	
Kingston ..	4,005	377+	3,628
Kitchener .	12,291	16,195—	3,904
London ...	140,725	44,430+	96,295
Oshawa ...	23,075	3,700+	19,375
Ottawa ...	17,875	27,400—	9,525
Peterbor'gh	6,250	7,540—	1,290
Pt. Arthur .	151,899	725+	151,174
Sarnia	46,322	30,510+	15,812
St. Cath'nes	3,070	8,510—	5,440
St. Thomas	2,900	600+	2,300
Stratford .	4,225	3,240+	985
Toronto ..	1,508,299	1,159,159+	349,140
Welland ..	1,200	8,800—	7,600
Windsor ..	506,925	89,185+	417,740
Woodstock	2,400	10,325—	7,925
York Twp.	336,800	358,550—	21,750
Total 29 E. Cities .	3,516,806	2,327,126+	1,189,680

Western Cities

	Jan. 1923	Jan. 1922	Change
Manitoba—			
Brandon ..$	Nil	$ 1,700—	$1,700
St. Bonif'ce	10,000	13,000—	3,000
Winnipeg .	69,000	77,900—	8,900
Alberta—			
Edmonton .	8,900	14,450—	5,550
Lethbridge.	1,065	385+	680
Med. Hat. .	Nil	225—	225
Saskatchewan—			
Moose Jaw.	110	1,280—	1,170
P. Albert .	5,000	+	5,000
Regina . .	5,350	14,195—	8,845
Saskatoon	2,275	7,500—	5,225
Weyburn .	Nil	. Nil	....
Yorkton . .	2,800	250+	2,550
British Columbia—			
Nanaimo ..	540	2,125—	1,585
New West'r	11,325	9,600+	1,725
Vancouver.	208,570	208,006+	564
Victoria ..	20,185	38,760—	18,575
Total 16 W. Cities .	$ 345,120	$ 389,376—	$44,256
Gr. Total			

MONTREAL MORTGAGE

Although showing a slight decline, profits of the Montreal Loan and Mortgage Company for 1922 were well able to take care of dividends and add substantially to surplus:

Profit and Loss

Incomes ..	$ 123,598	$ 126,955	$132,689
Expenses ..	$ 39,925	$ 39,638	$ 40,539
Net profits	$ 83,673	$ 87,317	$ 92,150
Bal. forward	59,890	50,573	36,424
	$ 143,563	$ 137,890	$ 127,574
Dividends .	78,000	78,000	78,000
Balance ...	65,562	59,890	50,573
	$ 143,562	$ 137,890	$ 128,573

National Surety Shows Strong Liquid Position

From Our Own Correspondent.

MONTREAL.—Balance sheet of the National Surety Company, which has recently been making a determined drive to familiarize Canadian business with credit insurance, indicates a strong and liquid position. Of total assets of $31,206,779, the sum of $26,136,269 is in cash, bonds, stocks and money deposits. After providing full reserves there is additional protection for policyholders to the amount of $14,453,164 representing $10,000,000 of capital stock and the balance in the surplus account.

The Canadian business is under the management of Lieut.-Col. Clarence F. Smith, who besides being a director of his company, figures on the board of such institutions and corporations as the Montreal City and District Savings Bank, the Home Bank of Canada, Prudential Trust Company, Goodwin's Limited, etc.

Amongst the other directors of the company are: Sir Arthur W. Currie, Hon. Raoul Dandurand, Sir Mortimer B. Davis, Dr. W. L. McDougald, John W. Ross, Hon. Lorne C. Webster and Hon. J. M. Wilson.

CANADA NATIONAL TIRES GOOD YEAR

Losses Were Light Compared With Others Operating in Dominion

The Canada National Fire Insurance Co. experienced a fire loss ratio of 33.96% in 1922. This is looked upon as favorable inasmuch as it is reported that the average for most companies operating in Canada was around 75%. The premium income of the company was $727,862, while the year closed with $40,798,265 insurance in force. After deducting reinsurance premiums of $106,960.08, net revenue amounted to $746,023.73, which exceeded by a large margin that of any other year in the history of the company. After providing for all management expenses, taxes, interest, fire losses, depreciation written off furniture and fixtures, and sundry other charges, there remained a balance of $303,825.10, which was apportioned, $160,546.47 transferred to government reserve; $113,077.12 representing a six per cent. dividend for the year, leaving $30,301.51 surplus profits which were carried to the reserve. This fund now totals $399,572.14. There is also a contingent fund of $100,000 and the combination of both these reserves makes a total of $499,572.14, which, on a percentage basis, represents 26.49 of the company's paid-up capital. The net surplus to policyholders has now grown to $2,285,702.75, an increase of $43,486.60. Liquid assets stand at $479,359.09, comprised of cash reserves $189,103.58 and stocks and government bonds $290,255.51. In addition to this it may be noted that $327,823.62 stands to the credit of the account known as government reserve for unearned premiums. This account, by the way, was increased during the year by $167,277.15. In 12 years the company has paid dividends totalling $943,594 or 50% of the paid-up capital.

NEW SETTLERS ARE AVAILABLE FROM OLD LAND

Report Made by Officers of the Colonization Association

From Our Own Correspondent.

OTTAWA. — The Canada Colonization Association is beginning its actual work of bringing in settlers. It has a number waiting for the snow to leave the ground. The association has been appointing agents abroad, and, according to its officials, Western land owners are freely listing their properties for sale on long-term agreements.

M. A. Brown, vice-president; Howard Everett, general manager, and F. D. L. Smith, issue the following joint statement:

"We are making progress in working out the national land settlement plan which was given to the public in September. Listings of privately-owned land along the railways are coming into our head office at Winnipeg in good volume. Owners of several hundreds of thousands of acres have placed their properties with the association for sale on the thirty-two year payment plan, so that we can already offer incoming settlers a wide choice of location.

"The settlers also can be obtained. The sales department of the association has already applications from large numbers of farmers who will look over the listed lands with a view to purchase as soon as the weather permits in the spring. In addition to nearly two hundred prospects thus secured, the association is in touch with five hundred Norwegian-American tenant farmers possessing stock and implements, and with four hundred American Poles possessing from twelve hundred to twenty-five hundred dollars each. One hundred Danish-American families are also available. With a view to securing these settlers the association is co-operating with the national societies interested.

The British Fields

"Hon. Duncan Marshall, commissioner of Agriculture for the Dominion, recently returned from Great Britain where he made a survey of the British field, at the joint request of the government and the association, and he reports that many excellent British farmers can be brought over this year. Suitable settlers for the land can also be secured from several continental European countries.

"In the last few weeks the association has made progress in building up an effective land settlement organization. It has one hundred and thirty agents actively at work in the United States, and will appoint several hundred additional representatives at once. The British field is recognized as highly important from the national standpoint, as we should draw an adequate proportion of our new population from the United Kingdom. In accordance with the national land settlement plan the Dominion Government is carrying on an energetic campaign to acquaint the British people with the farming opportunities to be found in Canada.

"At the special request of the Irrigation Council of Alberta we shall try to secure a number of settlers for the Lethbridge Northern Irrigation area, for which water is now available, as a result of financial backing from the Alberta Government.

Publicity the Policy

"As outlined in the national land settlement plan extensive publicity abroad and lower transportation rates for settlers are essential to a larger movement of agricultural population to Canada. Officials of the association participated in the recent conferences on both these vital questions, called by the Minister of Immigration at Ottawa.

"At the one conference a joint policy of publicity for Great Britain and the United States was agreed upon by the government, the railways and our association."

FIRST IN THE NORTHWEST

Care of Your Property

Why not transfer the responsibility of looking after your property to us? We are equipped to act as your agent either temporarily or permanently.
Our service covers the care of investments, the handling of real estate, the collection of dividends and such general care of your property as you may desire.
The cost for this service is moderate. 225

NORTHWESTERN TRUST COMPANY
H.R.S. McCABE MAN-DIR. J.F.C. MENLOVE PRES. AND GEN-MAN. F.O. MABER SEC-TREAS.
NORTHWESTERN BLDG. 166 DONALD ST., WINNIPEG CAN.

THE SMALL INVESTOR

has equal opportunity with the investor of large means of obtaining a profitable return on his money by investing in our Accumulative Debentures. They were devised largely because there are so few high-grade securities available to those of moderate means.

The small sum of $76.24 will purchase an Accumulative Debenture for $100. payable at the end of five years.

Our Debentures, along with our deposits, are secured by the Corporation's entire Assets which amount to $41,365,608.36.

It is well worth your while to investigate the merits of these Accumulative Debentures. They are a particularly attractive medium for the investment of small amounts on which you are prepared to allow the interest to accumulate.

Canada Permanent Mortgage Corporation
14-18 TORONTO ST., TORONTO
We have been providing safe investments for small sums since 1855
Paid-up Capital $7,000,000. Reserve Fund, (earned), $7,000,000
Investments Exceed $40,000,000

BRITISH CONSOLS
CIGARETTES
Please! They are easy on your throat

P. Lyall & Sons
Construction
Company, Limited
Toronto - Montreal - Ottawa

If you only knew—

Your Future?

The type of man who protects his home—

Will, as the years pass by

Find increasing prosperity—

And in due time reap the rewards of success.

that your good health would continue, even for one day—
that twenty years from now you would be alive and well off—
that your present income would remain secure and always available for you or your family—
You might then plan your affairs accordingly. But to know these things is impossible.

The Only Way

You can, however, anticipate the years, capitalize your present health and earning power, and thus make certain of twenty years' progress now, by securing in good time our

Home Protection Policy
for $5,000

This plan is the basis of all life insurance.

Experience has proven that it offers maximum insurance at minimum cost.

The annual outlay is comparatively small, being only a moderate rate per cent. on the capital "estate" created, according to age. The average is about 3%.

Even these small payments may be reduced by dividends.

Cash values are guaranteed—a fund for emergencies.

Policy continues in force while any cash value remains, thus preventing lapse and loss of protection.

Many policyholders in the Canada Life have lived to draw large sums from this form of policy for their own personal use.

Remember:

A substantial policy on your life will do much towards carrying out your intentions—whether you live or die.

It may pay off the mortgage, supply food and clothing for your family—keep the children at school.

It may be all that is left of your life work—to keep you in comfort in your old age.

Ask For Particulars

Canada Life
Assurance Company
Home Office
TORONTO

Canada Life Assurance Company
Dear Sirs—Without obligation on my part, please send me particulars of your Home Protection Policy.
Name ....
Address ....
Born........day of........18..

12

TRADE TREATIES INTEREST THE PULP AND PAPER GROUP

Our Exports of Pulpwood to Both France and Italy Are Considerable

WON'T BOOM TRADE

Companies Not Expecting Any Tremendous Results to Follow Immediately in Either Case

From Our Own Correspondent.

MONTREAL.—Both the Italian and French trade treaties have a distinctive interest for investors in pulp and paper securities. Under the French trade treaty now awaiting ratification by parliament, Canadian pulp and paper are included in the list of commodities which will benefit theoretically in that they will be entitled to the minimum tariff. At the same time those in the industry do not look for any large increase in the volume of these exports as a consequence of the treaty. In the past Canada's exports to France have been confined principally to wood pulp, the exports of paper being small.

The Italian trade treaty may open a market for Canadian pulp wood. Italy imports about 85,000 metric tons of chemical wood pulp yearly and it is estimated that this importation will reach a figure of 100,000 metric tons per year very shortly. Most of Italy's mechanical wood pulp is, however, made at home. Canada at present exports practically no chemical wood pulp to Italy and although many Canadian firms have been approached by Italian importers the results so far have not been permanent nor entirely satisfactory.

With regard to France, though, the exports of wood pulp are different. In 1922 mechanical wood pulp to the value of $806,000, representing 30,000 tons, was exported from Canada to France and chemical pulp to a value of $709,000, representing over 15,000 tons, was exported. Canadian exports of pulp and paper to France have been negligible although in a few years following the war they reached as high as $138,000.

At the present time most of the wood pulp used in France is imported from Scandinavia as is also a considerable amount of newsprint. France's imports of newsprint during 1922 were at the rate of about 9,000 tons monthly as compared with domestic consumption of about 13,000 tons monthly.

CONSOLIDATED SMELTERS

Ore receipts at Trail Smelter for the week ending February 7, amounting to 9,264 tons, while for the year to date the receipts total 45,242.

NEW BROKERAGE HOUSE

There is a new brokerage house on the Montreal Stock Exchange. Formation is announced of Black, Smith & Company, who will carry on a general brokerage and investment business. The partners are John M. Black and V. Barry Smith. Mr. Black was for a number of years with E. and V. Randolph of New York and was later manager of the Winnipeg office of McDougall and Cowans. He will be floor member of the firm on the exchange. Mr. Smith has been in financial work in Montreal for the past two years.

To Take 'Peg Railway Franchise Out of Politics

WINNIPEG.—It is reported at the city hall that the Winnipeg Electric Railway Company has withdrawn its application of April 4th last for a ten-year extension of its franchise. A high official of the company is quoted as complaining that the company has not been fairly dealt with during the course of the negotiations; for this reason it is thought that the company desired to take the whole question out of the political atmosphere into which it has been forced.

SAGUENAY GROUP BIG EXPORTER TO FRANCE

This Company, Which May be Re-financing Shortly, Most Interested in Trade Treaty

From Our Own Correspondent.

MONTREAL.—The Saguenay Pulp and Power Company and its subsidiaries, which include the Chicoutimi Pulp Company, are perhaps most interested of any of the pulp companies in the French trade treaty as this company is a heavy exporter of pulpwood to France. No paper is shipped, although the associated Becker Companies in England are understood to have a considerable market for paper in France.

During 1922 the Saguenay companies shipped 39,205 tons of groundwood pulp to France and 9,124 tons of sulphite pulp.

Announcement may be expected shortly concerning the new financing of the Saguenay group and it is possible that in the rearrangement of the bonds and debentures outstanding of the companies that some financing may be arranged in the London market as well as in Canada.

FRASER COMPANIES EARNED $800,000

Profits Reduced But Good Margin Over All Interest Requirements

From Our Own Correspondent.

MONTREAL.—Fraser Companies, Ltd., of Edmundson, N. B., showed reduced profits for 1922 but earned a good margin over bond interest. Net profits amounted to $804,614 as against $1,001,460 in 1921. After paying bond interest and interest charges there was left a balance of $314,617, which added to the previous balance forward made the total available for appropriation $1,097,759. Considerable sums were written off for depreciation and enough off inventories to bring them down to replacement values. The company carries forward $523,759 as against $783,142 in the previous year.

During the year $250,000 of the $2,000,000 of first mortgage bonds outstanding were redeemed. Inventories have been written down and current liabilities greatly reduced, leaving the company's working capital at $2,049,924 as against $2,504,406 at the end of 1921.

The president, Archibald Fraser, informs the shareholders that the improvement in market conditions experienced during the last quarter of 1922 has become even more evident since the first of the present year. If these improved conditions prevail throughout 1923, it is felt that this year's operations should be satisfactory.

DECIDEDLY RICH ORE DISCOVERED NEAR SCHREIBER

Values Run Into Four Figures—Test Run is Being Made

MINING CURTAILED

Power Shortage Causes Temporary Reduction in Tonnage of Big Producers of Porcupine

A gold discovery which has many experienced miners "buffaloed," to use the parlance of the street, has been opened up by Messrs. Foster and Glendenning some three miles south of Schreiber. Values are so high and so varied or irregular that they say they hesitate to announce the results of sampling. Instead they have sent a five-ton shipment of the ore to the government testing laboratories at Cobalt to have it tested. In this way they will get a line on actual values. Most of the samples taken give values of a million.

The vein where originally found, at the foot of a slope leading up a fairly high mountain, was eight inches wide. Traced higher up an exposed section was found to be much wider and a few feet down it was found to widen out to two feet. Values secured were varied, in fact, no two samples gave the same return. The lowest was $237 and the highest up in the four figures. The formation is a milky quartz and the gold is found in rich tellurides. Frequently free gold is noted in the samples, but in most cases the gold is associated with the tellurides.

It is stated that the geology and structural formation of the area is practically the same as that of Kirkland Lake. The find is not far from Lake Superior. In fact, that vein starts at the lake and runs up the jutting slope of this mountain. The vein has been picked up on both sides of the slope and if it carries down to depth it will make mining decidedly easy.

The find was the direct result of a recommendation made by Percy Hopkins, Ontario geologist. He was over the district and he recommended to the owners that they do some prospecting on their 235-acre holding. They did and this find resulted.

Operations in this section will be watched with interest. There have been many spectacular finds of both gold and silver made in this district. They have been patchy and irregular values and said to not continue at depth. There are indications, however, that the recent find may be different.

Assays from surface showings on the veins in the Rouyn, Que., are giving values as high as $60, while sinking operations, already under way, indicate that the formation is identical with that of Kirkland Lake, and that the Quebec camp ultimately will be a continuance of the Ontario discovery.

Power Situation

The Northern power situation is getting rather serious. The power company supplying the needs of Porcupine has been unable to meet the demands of the various mines and is now rushing along new developments. In the meantime progress is hampered. To make matters worse, the present power supply has been affected by the weather and there has been a 35% reduction in the amount of power available. This will seriously reduce the tonnage of Hollinger, Dome and McIntyre Mines, but it is not thought that it will interfere with underground work. The monthly reports of the mines will hardly show any effects, also, for it has been the practice of the mines, when production falls below the average, to put through a higher grade of ore and thus show the same value for the lower tonnage.

Wright Hargreaves produced $762,752.84 in 1922, the greatest yearly production of any mine in the Kirkland Lake camp. The mill handled a total of 66,181 tons averaging $11.52 per ton. The net profit was $361,423. Costs were low, $4.43 a ton, which is a tribute to the management of this new enterprise and which places it on a par with the most efficient in the North. Including exploration and development charges the cost was only $6.31 a ton. Pres. O. Cabana, Jr., proposes that the directors shall consider plans to double the present mill capacity, but development to the 1,000-ft. level will be completed before this is taken up. Much important development and exploration work, costing $86,095, was carried out during the year and some excellent ore opened up. The company distributed 15% in dividends during the year for a total of $412,000. Current assets stand at $274,125.

The Crown Reserve operation in 1922 showed a loss of $22,610, but this is more than offset by the results accomplished on the property at Larder Lake and which will likely be developed to the producing stage before the year ends. It will be proposed at the annual meeting at the end of this month to increase the capital to $4,000,000 so as to provide a plant to proceed with the opening up of this property. The annual report of Pres. W. J. Gear, in reviewing the development, shows that the value of the ore found is from $6.25 to $7.42 on the 300 level with a width of from 13 to 19 feet. There is a reported surplus of $489,365 but this is made up of investments in other companies, $301,103, and Larder Lake property, $144,613.

Mining Stock Quotations

Week Ending February 20

	High	Low	Close	Sales
	High	Low	Close	Sales
Algonquin	8¼	7½	7½	67500
Apex	2⅞	2½	2⅞	6500
Argonaut	57	53	55	7000
Atlas	13	12½	13	18000
Baldwin	11	9	9¼	65000
Beaver	39¾	35	39¾	142500
Boston Creek	15	—	—	55
Buckingham	18	16	18	12000
Castle Tretheway	25	24½	25	13500
Clifton	27	22½	22½	62000
Chaput-H	7	6	6	4000
Coniagas	2.20	2.08	2.20	415
Cons. Smelters	28¼	27¾	28	1967
Cons. West Dome	25¾	24	24	53000
Crown Reserve	37	33	33½	44999
Davidson Ex-rights	6	5½	5½	30500
Dome Mines	43.20	40.75	41.50	4080
Dominion Kirkland	4	3	3¾	20500
Gifford	½	—	—	1000
Gold Reef	2¾	2	2⅝	60000
Goldale	43	39¾	42½	18500
Hattie	28½	27	27	63500
Hillcrest, com.	68	—	—	25
Do., pref.	85	82	82	35
Hollinger	14.30	12.70	12.95	23000
Hunton	10½	10	10	17000
Inspiration	5	—	—	3000
Keora	9¼	8½	8½	10900
Kirkland Lake	49	45	49	40500
La Rose	37¾	34½	37	8600
Lake Shore	3.69	3.44	3.58	17200
McKinley Darragh	22	19	19	39500
McIntyre	19.84	18.74	18.75	7120
Mining Corp.	1.43	1.28	1.30	2400
Moneta	15¾	15⅛	15⅛	26900
Newray	26¾	25½	26½	36500
Nipissing	6.25	6.05	6.10	1745
Ophir	2⅞	2½	2½	37000
Peterson Lake	11	10½	10½	2200
Porcupine Crown	14	12½	12½	7600
Porcupine V. N. T.	24	—	—	1000
Preston E. Dome	12⅝	11	12⅝	86000
Teck-Hughes	97	93	93	44000
Thompson Krist	3¾	3	3	8000
Timiskaming	33	—	—	6500
Trethewey	4	3¾	4	5000
Wakenda	12¾	11½	11½	83500
Waspika	8⅞	7¾	8	93000
West Tree	11⅞	10½	10½	209000
Wright Hargreaves	3.38	3.34	3.35	2500
Vipond Con.	79	71½	72	10800

ELEVENTH ANNUAL REPORT

The Sterling Trusts Corporation

Balance Sheet as at 31st December, 1922

ASSETS

Capital		
Office Property, Regina:		
Represented by the total stock in Trust Securities Corporation		$ 51,000.00
Real Estate held for sale		5,909.03
Office Furniture, Fixtures, etc., less Depreciation		7,352.87
Mortgages and Agreements Receivable (net):		
Principal	$226,285.23	
Interest Past Due and Accrued	26,232.38	
		252,517.61
Loans on Corporation's own shares		71,616.61
Securities:		
Bonds and Debentures at Cost and Accrued Interest	7,121.15	
Stocks	2,138.02	
		9,259.17
Advances to:		
Guaranteed Trust Account	$ 10,941.87	
Estates, Trusts and Agency Account	26,313.17	
		37,255.04
Fees, Commissions and Accounts Receivable (net)		19,211.95
Advances to Great Northern Land Co., Limited		122,978.86
Cash on Hand and in Banks		20,011.22
Total		$ 597,112.36
Guaranteed Trust		
Mortgages		$ 55,698.35
Interest Past Due and Accrued		2,627.45
		$ 58,325.80
Cash in Banks		12,272.29
		$ 70,598.09
Great Northern Land Company, Ltd.—Amount Receivable on Realization of Assets		303,233.33
Total		$ 373,831.42
Estates, Trusts and Agency		
Book Value of Assets held for Realization		$3,327,779.66
Cash in Banks and on Hand		66,009.12
Total		$3,393,788.78

LIABILITIES

Capital		
Capital Stock:		
Authorized, 10,000 Shares of $100.00 each	$1,000,000.00	
Issued 8,795 Shares of $100.00 each, on which there has been paid		$ 509,716.40
Reserve Fund		50,000.00
Accounts payable		8,475.61
Deferred Profits Reserve		10,944.36
Reserved for Income Tax, 1922		2,282.10
Profit and Loss Balance		15,693.89
Contingent Liabilities—None.		
Total		$ 597,112.36
Guaranteed Trust		
Guaranteed Investment Receipts		$ 54,758.00
Accrued Interest on Guaranteed Investment Receipts		4,898.22
Due Capital Account in respect of Advances		10,941.87
Total		$ 70,598.09
Guaranteed Investment Receipts issued in respect of the Great Northern Land Company, Limited		303,233.33
Total		$ 373,831.42
Estates, Trusts and Agency		
Amount due on Realization		$3,367,475.61
Due Capital Account in respect of Advances		26,313.17
Total		$3,393,788.78

W. H. WARDROPE, K.C., President.

CHAS. BAUCKHAM, Managing Director.

Auditors' Certificate

We have audited the books and accounts of The Sterling Trusts Corporation maintained at Toronto and Regina, and have prepared therefrom the appended Capital and Guaranteed Trust Balance Sheets, which, in our opinion, are properly drawn up so as to exhibit a true and correct view of the financial position of the Corporation as at December 31, 1922.

We have verified the Cash in Banks and on Hand and have satisfied ourselves as to the Corporation's interest in the various investments.

With regard to the extent of the Corporation's liability on Trust Receipts issued in connection with the Great Northern Land Company, Limited, this is dependent on the realization of its assets, which for the most part consist of Real Estate and Agreements thereon.

MARWICK, MITCHELL & CO.,
Chartered Accountants.

DEBENTURES FOR SALE

Town of New Toronto

Sealed tenders, addressed to the undersigned, will be received up to 12 noon, February 28, 1923, for the purchase of the following bonds:

Amount	Years	Rate	Purposes
$13,000	15	6%	Waterworks
$36,000	20	6%	School

Above issues approved of by E. G. Long, K.C. Debentures ready for immediate delivery. Interest and principal payable Canadian Bank of Commerce. Instalment bonds $1,000 and odd amounts.

Highest or any tender not necessarily accepted.

W. E. DAVISON,
Treasurer.

Town of New Toronto.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 144

Notice is hereby given that a dividend of three per cent upon the paid-up capital stock of this bank has been declared for the quarter ending 28th February, 1923, payable at the bank and its branches, on and after Thursday, 1st March next, to shareholders of record at the close of business on the 13th day of February, 1923.

By Order of the Board,
JOHN AIRD,
General Manager.

Toronto, 19th January, 1923.

LAKE BROKERS MADE TO TOE THE LINE BY WOLVIN

Grip of Standard Shipping on Lake Business Indicated

High-handed methods of the Standard Shipping Company in regard to shipping and insurance rates on the Great Lakes have been indicated at the inquiry before the Royal Commission on lake rates at Winnipeg by a telegram sent by L. H. Wolvin, one of the owners and manager of the Standard Company, to N. A. Rule, manager of the Western Shipping Company, Chicago, of which Mr. Wolvin is also part owner and director. The telegram was produced:

"Nye Jenks working for another cargo Chicago-Buffalo, trying to write their own insurance. I am getting very tired of trying to uphold the situation of the vessel broker. We are in a wonderful position to break every vessel agent on the Lakes, and I want you to notify all Winnipeg agents that if one of them produces a boat to load at Chicago that I am absolutely through, and will do business for nothing until everyone of them are out of the game, which you know I can do, and will do. Solicit them all. Show them this telegram and tell them I mean every word I say.—L. H. Wolvin."

The telegram came out when Mr. Wolvin was being questioned with reference to an effort to get Winnipeg brokers to sign an agreement that they would not let cargo space to shippers who refused to allow the brokers to place their insurance.

Shareholders in Canada Steamships Lines are particularly interested in the inquiry. There is a close association between owners of Standard Shipping and officials of Steamships. The question has been raised as to whether the profits resulting from the high lake rates have benefited Steamships shareholders or whether they have gone to the Standard Shipping Company. The telegram reproduced above indicates that the Standard Shipping occupies a dominant position in the trade—a position in which big profits could be easily made if steamers were chartered at a low price and high rates secured.

B. C. ELECTRIC

British Columbia Electric Railway Company reports gross earnings at $923.922 and net at $295,785 for the month of December, as compared with gross of $940,113 and net of $286,547 for the corresponding month a year ago. Aggregate gross earnings from July 1 to December 31 at $5,190,572 compared with $5,192,915 for the corresponding period of 1921 and net at $1,532,575 for the same period compared with $1,373,382, and increase of $159,193.

March Dividend Payments

MARCH DIVIDEND PAYMENTS

Dividends	$16,394,415
Bond Interest	9,791,476
	$26,185,891

INDUSTRIALS, ETC.

COMPANY—	Rate	Date	Amount
Beld. Corticelli, pf.	1¾q	15	$ 15,142
Brazil. Tract. com.	1 q	1	1,065,760
Can. Pac. Ry., com.	2½q	31	6,500,000
Do., pref.	2 s	31	1,613,638
Can. Con. Rub., pf.	1¾q	31	52,500
Crow's Nest Coal	1½q	1	93,189
Confederation Life	5 q	31	5,000
Detroit United Rly.	1½q	1	230,625
Fam. Play., 1st pf.	2 q	1	80,000
Hollinger Mines	1 m	28	246,000
Imp. Tobacco, pf.	3 s	31	240,900
Imperial Oil	75cq	1	1,176,000
Do.	$1.00q	1	1,568,900
Inter. Milling, pf.	1¾q	2	19,338
Lake of Woods, c.	3 q	1	105,000
Do., pref.	1¾q	1	26,250
London Life	2 q	31	1,650
Montreal Cot., cm.	1½q	15	44,244
Do., pref.	1¾q	15	51,618
Montreal Loan	3+1q	15	24,000
Mutual Oil	2½q	15	284,452
Ogilvie Flour, pf.	1¾q	1	35,000
Port Hope San., pf.	1¾q	1	7,980
Prod. & Refiners, c.	1 q	15	181,623
Sher. Williams, c.	1½q	31	60,000
Do., pref.	1¾q	31	59,937
West. Can. Flour	2 q	15	57,500
Woods Mfg., com.	2 q	1	34,372
			$13,880,618

BANKS

	Rate	Date	Amount
Commerce	3 q	1	$ 450,000
Hamilton	3 q	1	150,000
Hochelaga	2 q	1	100,000
Home	1¾q	1	34,297
Montreal	3 q	1	817,500
Royal	3 q	1	612,000
Toronto	3 q	1	150,000
Union	2½q	1	200,000
			$2,513,797

q—Quarterly.
s—Half yearly.
m—Monthly.

BOND INTEREST DUE IN MARCH

COMPANY	Rate	Due	Amount
Abitibi Pulp	8	1931	$ 180,000
Black Lake Asbestos	6	1943	35,430
Brand'm Henderson	6	1939	20,745
Brompton Pulp	6	1939	29,100
Can. Steel Foundries	6	1936	60,492
Canadian Salt	6	1934	10,290
Can. Steamships	7	1921-31	88,987
Dom. Iron & Steel	5	1939	141,882
Dom. Sewer Pipe	6	1927	2,079
Dom. Textile	6	1925	98,025
Do.,	6	1949	193,470
Dunlop Tire	6	1927	7,749
Hillcrest Collieries	5	1940	8,125
London Street Rly.	5	1925	12,150
Lake Sup. Paper	6	1941	142,917
Mexico Tramways	5	1963	252,187
Montreal Tramways	6½	1924	237,250
Nova Scotia Clay	6	1930	1,950
N. B. Power	5	1937	46,725
Ottawa Gas	6	1939	25,500
Robin, Jones, Whitman	6	1930	6,042
Spanish River Pulp	6	1919-29	69,285
South. Can. Power	6	1948	108,360
Toronto Paper Mfg.	6	1942	20,244
West. Can. Flour	6	1928	20,787
Do.,	6	1931	15,771
West Kootenay Pr.	6	1940	34,614
Corporation Bonds			$1,870,156
Municipal Bonds			*3,105,000
Provincial Bonds			2,500,000
Third War Loan	5	1937	2,316,320
			$9,791,476

* This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

The Pursuit of Happiness

Happiness—contentment—freedom from care—all these are bound up more or less with money matters.

Freedom from care in old age demands a competence acquired in prosperous youth.

No safer, surer or quicker method of gaining financial independence — and with it freedom from care—than the purchase of good income-yielding Bonds. The following are a few examples:

$100 will give you a return of $6 per year for 9 years and repay you a principal sum of $100 in 1931 at the maturity of the bond.

$470 safely invested will provide you with an income of $30 per year for 9 years and return you a principal sum of $500 in 1931.

$486 will in the first instance provide you with $32.50 per year, and repay you a principal sum of $500 at the end of the mortgage term in 1942.

$947 can be safely invested today to provide you with an income of $70 per year until 1930, when the principal sum of $1,000 is repayable.

$1000 well invested at 7%, provides you with $70 per year, payable half-yearly. Principal sum, secured by first mortgage, is repayable in any year 1932 to 1942, according to maturity selected by you.

Further particulars gladly furnished upon request.

Partial Payment Plan if Desired.

Graham, Sanson & Co
LIMITED
INVESTMENT BANKERS
85 Bay Street, Toronto
37 James St. S., Hamilton
Phone Adelaide 7410.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Thursday, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1923.

By order of the Board,
FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 19th January, 1923.

Dominion Glass Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of March, 1923, payable Monday, the 2nd day of April, 1923, to Shareholders of record at the close of business Thursday, the 15th day of March, 1923.

By Order of the Board.
MERVYN OFFER,
Comptroller and Secretary.

Montreal, 15th February, 1923.

Dominion Glass Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of March, 1923, payable Monday, the 2nd day of April, 1923, to Shareholders of record at the close of business Thursday, the 15th day of March, 1923.

By order of the Board.
MERVYN OFFER,
Comptroller and Secretary.

Montreal, 15th February, 1923.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICES

Notice is hereby given that a Dividend of 1¾ per cent. on the Preferred Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending February 28th, 1923, has been declared payable on Thursday, March 1st, 1923, to shareholders of record at the close of business on Saturday, February 24th, 1923.

By order of the Board.
M. H. HUTCHISON,
Assistant-Secretary.

Notice is hereby given that a Dividend of 3 per cent. on the Common Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending February 28th, 1923, has been declared payable on Thursday, March 1st, 1923, to shareholders of record at the close of business on Saturday, February 24th, 1923.

By order of the Board.
M. H. HUTCHISON,
Assistant-Secretary.

Woods Manufacturing Company, Limited

Common Stock Dividend Notice

The regular quarterly dividend of two per cent. (2%) on the COMMON STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending February 28th, 1923, has been declared payable March 1st, 1923, to shareholders of record February 22nd, 1923.

By order of the Board.
JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, February 14th, 1923.